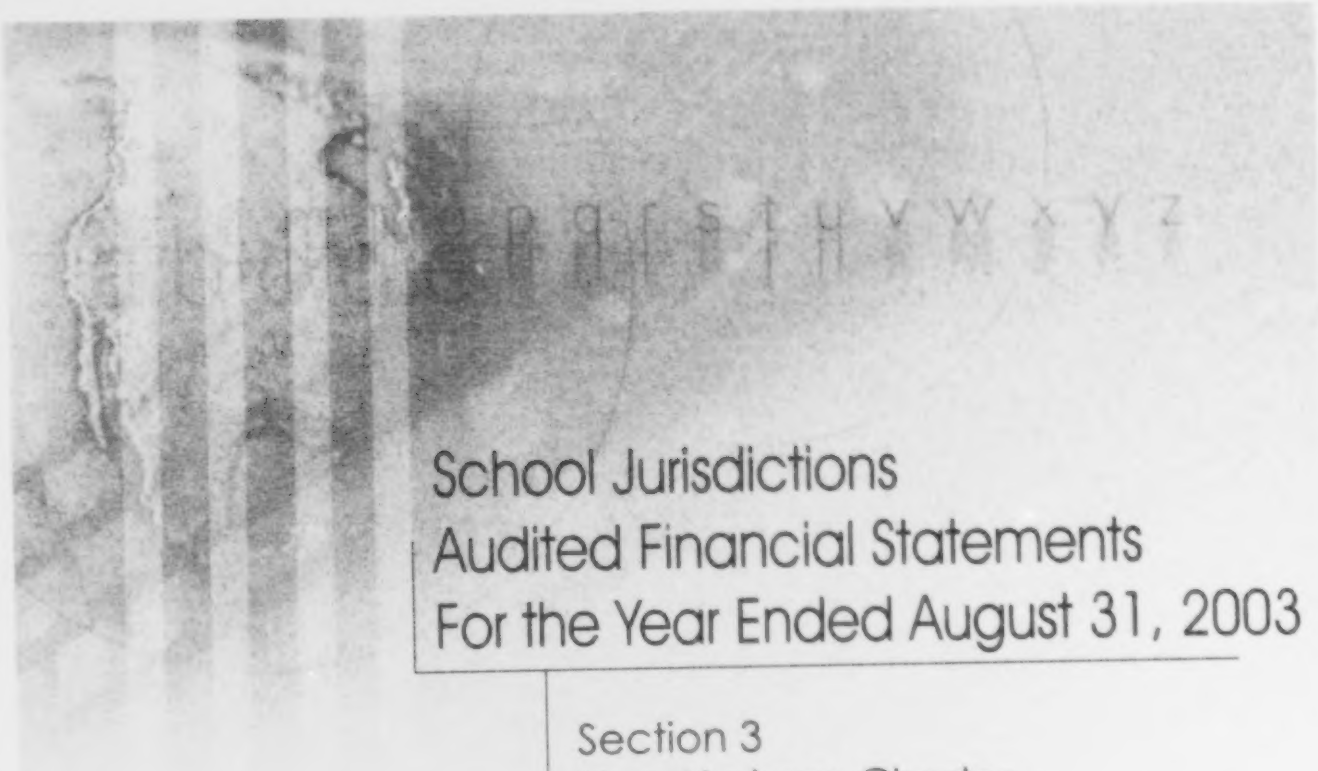

School Jurisdictions Audited Financial Statements For the Year Ended August 31, 2003

Section 3

New Horizons Charter
School Society to
Wolf Creek School Division No. 72

Alberta
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School Jurisdictions
Audited Financial Statements

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School Jurisdiction Code: 6015

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

NEW HORIZONS CHARTER SCHOOL SOCIETY
Name of School Jurisdiction

3 SPRUCE AVENUE, SHERWOOD PARK, AB T8A 2B6
Mailing Address

(780) 467-6409 & (780) 417-1786
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules NEW HORIZONS CHARTER SCHOOL SOCIETY (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Ken Ridgway	"Original Signed By"
Name	Signature

SUPERINTENDENT	
Dale Erickson	"Original Signed By"
Name	Signature

SECRETARY TREASURER OR TREASURER	
G. (Fred) de Kleine	"Original Signed By"
Name	Signature

Revised April 12, 2004
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 6015

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SLAMKO VISSER
SEVERIN & COMPANY LLP
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Directors of

NEW HORIZONS CHARTER SCHOOL SOCIETY

We have audited the statement of financial position of the New Horizons Charter School Society as at August 31, 2003 and the statements of revenue and expenses, cash flows, changes in net assets, and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

The Auditor's Report issued on November 3, 2003 has been withdrawn and the attached financial statements have been revised to reflect the reporting requirements of Alberta Learning. In addition, certain of the opening figures have been revised to reflect changes made by Alberta Learning in respect of the year ended August 31, 2002.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Slamko Visser
Severin & Company LLP

CHARTERED ACCOUNTANTS

Edmonton, Alberta
November 3, 2003
April 12, 2004

Suite 100, 17010 - 103 Avenue, Edmonton, Alberta, Canada T5S 1K7 • T 780.486.3357 F 780.486.3320 www.svsco.ca

School Jurisdiction Code: 6015

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$244,941	$146,725
Accounts receivable (net after allowances)		$39,817	$10,811
Prepaid expenses		$10,668	$18,803
Other current assets		$0	$0
Total current assets		$295,426	$176,339
School generated assets		$6,565	$3,966
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$0		
Less: accumulated amortization	$0	$0	$6,608
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$0	$6,608
TOTAL ASSETS		$301,991	$186,913
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$23,731	$20,029
Deferred revenue		$52,032	$5,604
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$75,763	$25,633
School generated liabilities		$6,565	$3,966
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$6,565	$3,966
TOTAL LIABILITIES		$82,328	$29,598
NET ASSETS			
Unrestricted net assets		$124,004	$67,151
Operating Reserves		$22,893	$15,835
Accumulated Operating Surplus (Deficit)		$146,897	$82,986
Investment in capital assets		$0	$6,608
Capital Reserves		$72,765	$67,720
Total Capital Funds		$72,765	$74,329
Total net assets		$219,662	$157,314
TOTAL LIABILITIES AND NET ASSETS		$301,991	$186,913

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 6015

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$718,766	$677,332	$639,682
Alberta Infrastructure	$141,317	$139,863	$96,777
Alberta Finance	$0	$0	$0
Other Government of Alberta	$330	$0	$0
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$14,793	$22,444	$12,867
Transportation fees	$0	$3,420	$0
Other sales and services	$0	$0	$0
Investment income	$5,045	$1,600	$3,330
Gifts and donations	$0	$0	$0
Rentals of facilities	$6,130	$5,000	$5,814
Net school generated funds	$3,966	$8,000	$2,381
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$890,345	$857,659	$760,851
EXPENSES			
Certificated salaries	$421,926	$426,500	$421,725
Certificated benefits	$46,626	$53,435	$39,436
Uncertificated salaries and wages	$44,430	$89,725	$69,453
Uncertificated benefits	$4,026	$7,910	$3,655
Services, contracts and supplies	$300,415	$262,646	$196,891
Net school generated funds	$3,966	$8,000	$2,381
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$6,608	$0	$10,482
Total Amortization of capital assets	$6,608	$0	$10,482
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total interest on capital debt	$0	$0	$0
Other interest charges	$0	$1,000	$976
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$827,997	$849,216	$744,999
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$62,348	$8,443	$15,852
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$62,348	$8,443	$15,852

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 6015

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$62,348	$15,851
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$6,608	$10,482
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($29,006)	$1,808
Prepaids and other current assets	$8,135	($12,031)
Payables and accrued liabilities	$3,702	$10,379
Deferred revenue	$46,428	($2,451)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$98,216	$24,038
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	$0	$0
C. FINANCING ACTIVITIES		
Capital allocations received	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$0	$0
Net sources (uses) of cash equivalents* during year	$98,216	$24,038
Cash Equivalents at the beginning of the year	$146,725	$122,687
Cash Equivalents at the end of the year	$244,941	$146,725

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 6015

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
					RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$157,954	$6,608	$67,151	$84,195	$0	$0	$640	$0	$67,720	$14,956	$0	$879	$0	$0	$0
Prior period adjustments (describe)															
Transfer ABI Surplus to Deferred	($640)	$0	$0	($640)	$0	$0	($640)	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$157,314	$6,608	$67,151	$83,555	$0	$0	$0	$0	$67,720	$14,956	$0	$879	$0	$0	$0
Surplus(def) of revenue over expenses	$62,348		$62,348												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$0	$0	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($6,608)	$6,608												
Amortization of capital allocations		$0	$0												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($7,059)	$7,059	$0		$0			$5,367		$1,691		$0	
Net transfers from operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers to capital reserves			($5,045)	$5,045		$0			$5,045		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$219,662	$0	$124,004	$95,658	$0	$0	$0	$0	$72,765	$20,323	$0	$2,570	$0	$0	$0

School Jurisdiction Code: 6015

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$0	$0
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$0	$0
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		$0	$0
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$0
Balance at August 31, 2003		$0	$0

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

NOTES TO REVISED FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

1. PURPOSE OF THE SOCIETY

The Society delivers education programs under the authority of the *School Act*, Chapter S-3, Statutes of Alberta, January 1, 2002. The Society is registered under the *Societies Act*.

The Society receives block allocations for instruction and support from Alberta Learning under Regulation 72/95. The regulation limits funding and expenses for administration. The Society is permitted, within specified limits, to reallocate funding between the instruction and support blocks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These revised financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement. These financial statements have, in management's opinion, been prepared within the reasonable limits of materiality and the framework of the significant accounting policies summarized below:

(a) Financial Instruments

The Society's financial instruments consist of cash, short-term investments, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. The Society has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

(b) Short-Term Investments

Short-term investments are stated at the lower of cost and market value.

(c) Capital Assets

Only capital assets with a cost in excess of $5,000 are capitalized in accordance with the policy of Alberta Learning. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(d) Revenue Recognition

Instruction and support funding allocations are recognized as revenue in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases to trust assets and liabilities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) School Generated Funds

These are funds in the community which come under the control and responsibility of the school principal and are to be used for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (i.e. yearbook sales, graduation fees, field trip fees etc.) The unused school generated funds are deferred to the subsequent year in accordance with the Task Force Report on School Board Reporting in Alberta.

(f) Contributed Services

Volunteers contribute a considerable number of hours per year to the Society to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(g) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Directors of the Society, or externally, to set aside funds for operating and future capital expenditures. Such reserves are appropriations of accumulated surplus.

3. SHORT-TERM INVESTMENTS

	2003	2002
Province of British Columbia Bond Coupon	$ 71,003	$ 67,720
Guaranteed Investment Certificate	71,905	70,000
	$ 142,908	$ 137,720

The strip bond has an internal rate of return of 5.69% if held to its maturity date of November 19, 2006.

The GIC generates interest at a rate of 2.4% per annum and matures on April 23, 2004

4. ACCOUNTS RECEIVABLE

	2003	2002
Province of Alberta	$ 30,361	$ 7,213
Goods and Services Tax Rebate	8,592	3,173
Other	864	14
	$ 39,817	$ 10,400

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2003	2002
Trade accounts payable	$ 9,329	$ 15,478
Salary payable to staff	14,400	4,552
	$ 23,729	$ 20,030

6. DEFERRED REVENUE

	2003	2002
Alberta Learning one-time grant	$ -	$ 1,714
Alberta Infrastructure	51,690	640
Resource fees	342	-
AISI project	-	3,177
Other	-	72
	$ 52,032	$ 5,603

7. INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Directors for future operating and capital expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	2003	2002
Operating reserve		
Board and system administration	$ 20,323	$ 15,596
Transportation	2,570	879
	$ 22,893	$ 16,475
Capital reserve		
Building - unsupported	$ 72,765	$ 67,720

8. RELATED PARTY TRANSACTIONS

The New Horizons Charter School Society has a fundraising association that raises money for school equipment and student activities. During the year, the fundraising association provided the Society with $3,959 of equipment.

9. CHANGE IN ACCOUNTING POLICY

During the year, the Society changed the method it uses to present cash flows from the indirect to the direct method. As this change was applied on a retroactive basis, the presentation of the previous year's figures was affected.

10. COMMITMENTS

The Society has an operating lease for its premises at $5,739 per month expiring in August 2004. The minimum annual lease payment for the next year is $68,868.

In addition, the school jurisdiction has an operating lease for its photocopier. The photocopier is leased at $1,091 per quarter under a lease expiring in May 2007. The minimum annual lease payments for the next four years are as follows:

Year	Amount
2004	$ 4,367
2005	4,367
2006	4,367
2007	3,274
	$ 16,375

11. BUDGETED AMOUNTS

The budget was prepared by the Society's management and approved by the Board of Directors on June 11, 2002. It is presented for informational purposes only and has not been audited.

12. COMPARATIVE FIGURES

The prior year's figures were audited by a firm other than Slamko Visser Severin & Company LLP. In addition, certain of the comparative figures have been reclassified to conform to the current year's financial statement presentation.

13. SUBSEQUENT EVENT

Subsequent to year end, the school jurisdiction entered into a lease for two additional portables at $1,300 per month per portable expiring in September 2005. This transaction will result in minimum annual lease payments for the next two years as follows:

Year	Amount
2004	$ 31,200
2005	31,200
	$ 62,400

School Jurisdiction Code: 6015

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin.	External Services
Alberta Learning allocations									
(1) Instruction block	$608,487	$81,561	$526,926						
(2) Support block	$58,290				$8,290			$50,000	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$17,158	$0	$17,158						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$31,000	$1,922	$29,078					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$3,831	$0	$3,831	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$718,766	$83,483	$576,993	$0	$8,290			$50,000	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$0	$0	$0	$0					
(13) Operations & Maintenance support	$141,317			$141,317					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$141,317	$0	$0	$141,317					
(16) **Alberta Finance**	$0			$0	$0			$0	$0
(17) **Other - Government of Alberta**	$330	$0	$330	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$14,793	$1,080	$13,713						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$0	$0	$0	$0	$0			$0	$0
(25) **Investment income**	$5,045	$0	$0	$5,045	$0			$0	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$6,130		$0	$6,130	$0			$0	$0
(28) **Net school generated funds**	$3,966		$3,966					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$0		$0	$0	$0				$0
(31) **TOTAL REVENUES**	$890,345	$84,563	$595,001	$152,491	$8,290			$50,000	$0
EXPENSES									
(32) **Certificated salaries**	$421,926	$29,237	$392,688				$0	$0	$0
(33) **Certificated benefits**	$46,626	$4,450	$42,176				$0	$0	$0
(34) **Uncertificated salaries and wages**	$44,430	$5,660	$38,770	$0	$0	$0	$0	$0	$0
(35) **Uncertificated benefits**	$4,026	$338	$3,688	$0	$0	$0	$0	$0	$0
(36) **SUB - TOTAL**	$517,008	$39,685	$477,323	$0	$0	$0	$0	$0	$0
(37) **Services, contracts & supplies**	$300,415	$2,744	$98,993	$147,447	$6,599	$561	$44,071	$44,633	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$3,966		$3,966						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(41) Unsupported	$6,608	$0	$6,608	$0	$0	$0	$0	$0	$0
(42) Total Amortization	$6,608	$0	$6,608	$0	$0	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$827,997	$42,429	$586,890	$147,447	$6,599	$561	$44,071	$44,633	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$62,348	$42,134	$8,111	$5,045	$1,691			$5,367	$0
Applicable student numbers/FTE equivalent	124.0	20	114.0	124.0	18			124.0	
AVERAGE PROGRAM COSTS per student	$6,677	$2,121	$5,148	$1,189	$367			$360	

School Jurisdiction Code: 6015

SCHEDULE B1 to the AFS

INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$312,545	$64,315	$0	$0	$0	$15,829	$0	$392,688
Certificated benefits	$36,486	$4,552	$0	$0	$0	$1,138	$0	$42,176
Uncertificated salaries and wages	$15,808	$22,962	$0	$0	$0	$0	$0	$38,770
Uncertificated benefits	$1,064	$2,625	$0	$0	$0	$0	$0	$3,688
SUB - TOTAL REMUNERATION	$365,903	$94,453	$0	$0	$0	$16,967	$0	$477,323
Services, contracts & supplies	$70,789	$23,306	$0	$0	$0	$4,898	$0	$98,993
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$3,966							$3,966
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$6,608	$0	$0					$6,608
Total Amortization	$6,608	$0	$0					$6,608
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$447,266	$117,759	$0	$0	$0	$21,865	$0	$586,890
FTE Certificated				0.0	0.0			
FTE Uncertificated				0.0	0.0			

SCHEDULE B2 to the AFS

INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$497,838	$46,236	$4,296	$0	$548,370	$364,245	$184,125
School Admin & Instruction Support Expenses						$117,759	($117,759)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$497,838	$46,236	$4,296	$0	$548,370	$482,004	$66,365
Sub-Programs & Initiatives							
Severely Disabled	$0		$0		$0	$0	$0
English as a Second Language	$22				$22	$24	($2)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$0				$0		$0
Growth & Density	$7,879				$7,879		$7,879
Teacher Assistants Program	$3,802				$3,802	$5,949	($2,147)
Early Literacy Initiative (K-2)	$10,007				$10,007	$12,419	($2,412)
Learning Resources Credit & Resources for the Classroom	$1,879	$3,831	$13,713		$19,423	$23,944	($4,520)
Technology Integration	$4,902		$0		$4,902	$24,039	($19,137)
French Language Program & Francisation (all jurisdictions)	$596		$0		$596	$38,511	($37,915)
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$29,088		$13,713		$46,631	$104,886	($58,255)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$526,926	$50,067	$18,008	$0	$595,001	$586,890	$8,111

School Jurisdiction Code: 6015

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$81,561	$526,926		$8,290	$50,000	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of | *$608,487* | *=* | *$12,170* | *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 6015

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$603,585
Support Block - Transportation	$8,290
SUBTOTAL	$611,874

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$141,317
Teacher Salary Enhancement	$31,000
Other Alberta Learning revenues (Describe)	$3,831
Other - Government of Alberta (Excluding Alberta Finance)	$330
Federal government/First Nations	$0
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$0
Interest on investments	$5,045
Rentals of facilities	$6,130
Gains on disposal of capital assets	$0
Amortization of capital allocations	$0
School generated funds (Schedule E)	$26,790
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$826,317**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o = 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$49,579

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	50,000	$50,000
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$50,000**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$44,633
PLUS: transfers to Restricted - Operating (Board/System Administration)	$5,367
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$50,000
Maximum Expense Limit for Board & System Administration (Step 3)	$50,000
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	$0

School Jurisdiction Code: 6015

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$3,966
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$26,790	
Less: SGF - related cost recoveries (Note 3)	$24,134	
- capitalized at the District level (Note 4)	$0	
Net Total	$2,656	
Plus: Donations Received (Note 5)	$3,909	
Equals: Net Additions to SGF		$6,565
Net SGF Available for discretionary spending		$10,531
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$3,966
Unexpended SGF - Closing Balance August 31, 2003		$6,565

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$27,868	$74,313	$0	$216	$0	$102,397		$102,397
Supplies	$1,347	$328	$0	$0	$0	$1,675		$1,675
Electricity			$19,007			$19,007		$19,007
Natural Gas/Heating Fuel			$14,672			$14,672		$14,672
Sewer and Water			$3,350			$3,350		$3,350
Telecommunications			$0			$0		$0
Insurance					$6,346	$6,346		$6,346
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$29,216	$74,640	$37,029	$216	$6,346	$147,447	$0	$147,447
SQUARE METRES								
School Buildings								1,228.1
Non School Buildings								0.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 6015

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Ken Ridgway	0.3	$0	$0	$0	$0	$0	$0	$0
Pat Brideaux	0.7	$0	$0	$0	$0	$0	$0	$107
Other Board Members:								
Jane Dodds	1.0	$0	$0	$0	$0	$0	$0	$0
Nancy Horton	1.0	$0	$0	$0	$0	$0	$0	$0
Lorelei Koszan	1.0	$0	$0	$0	$0	$0	$0	$0
Allison Malichuk	1.0	$0	$0	$0	$0	$0	$0	$0
Nicole Vanwieren	1.0	$0	$0	$0	$0	$0	$0	$0
Ken Ridgway	0.7	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal	*6.7*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$107*
Superintendent	0.4	$15,336	$0	$0	$0	$0	$15,336	$0
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	0.3	$15,000	$0	$0	$0	$0	$15,000	$1,483
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	8.6	$421,926	$46,626	$0	$0	$0	$468,552	
Uncertificated Salaries & Wages	3.0	$44,430	$4,026	$0	$0	$0	$48,457	
TOTALS		**$496,692**	**$50,652**	**$0**	**$0**	**$0**	**$547,344**	

Note: Please refer to completion information on page 15.

Pat Brideaux resigned as of May 31, 2003. Position was not filled during the remainder of the school year

Superintendent FTE based on 70 days/year for a possible of 200 days. Contracted Services

School Jurisdiction Code: 6015

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 2275

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Northern Gateway Regional Division No. 10
Name of School Jurisdiction

4104 Kepler Street; Box 840;Whitecourt, Alberta; T7S 1N8
Mailing Address

(780) 778-2800 (780) 778-6719
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Northern Gateway Regional Division No. 10 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Judy Muir	"Original Signed By"
Name	**Signature**

SUPERINTENDENT

Eugene J. Miller	"Original Signed By"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Michael Gramatovich	"Original Signed By"
Name	**Signature**

25-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
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School Jurisdiction Code: 2275

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Clews & Shoemaker

CHARTERED ACCOUNTANTS

Graham Rex Clews Professional Corporation ◆ John S. Shoemaker Professional Corporation

AUDITOR'S REPORT

To the Board of Trustees of the Northern Gateway Regional Division No. 10:

We have audited the statement of financial position of Northern Gateway Regional Division No. 10 as at August 31, 2003, and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Northern Gateway Regional Division No. 10 as at August 31, 2003, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with the Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Clews & Shoemaker

Westlock, Alberta
November 5, 2003

CHARTERED ACCOUNTANTS

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School Jurisdiction Code: 2275

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$1,333,877	$2,964,791
Accounts receivable (net after allowances)		$2,588,719	$1,443,001
Prepaid expenses		$340,406	$420,899
Other current assets		$0	$0
Total current assets		$4,263,002	$4,828,691
School generated assets		$874,489	$976,506
Trust assets		$267,007	$254,468
Long term accounts receivable		$0	$0
Capital assets			
Land		$1,382,484	$1,382,484
Buildings	$72,066,318		
Less: accumulated amortization	($21,648,101)	$50,418,217	$50,012,705
Equipment	$16,662,635		
Less: accumulated amortization	($15,694,158)	$968,477	$1,333,067
Vehicles	$4,747,312		
Less: accumulated amortization	($2,870,481)	$1,876,831	$1,883,851
Total capital assets		$54,646,009	$54,612,106
TOTAL ASSETS		$60,050,507	$60,671,771
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,492,420	$1,121,549
Deferred revenue		$693,263	$1,286,589
Deferred capital allocations		$37,152	$37,152
Current portion of all long term debt		$1,394,214	$1,481,844
Total current liabilities		$3,617,049	$3,927,134
School generated liabilities		$874,489	$976,506
Trust liabilities		$267,007	$254,468
Employee future benefits liability		$133,512	$336,923
Long term debt			
Supported: Debentures and other supported debt		$8,800,343	$10,126,062
Less: Current portion of supported debt		($1,225,468)	($1,325,719)
Unsupported: Debentures and Capital Loans		$738,135	$894,259
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($168,745)	($156,125)
Unamortized capital allocations		$38,384,047	$36,442,358
Total long term liabilities		$47,803,319	$47,548,732
TOTAL LIABILITIES		$51,420,368	$51,475,865
NET ASSETS			
Unrestricted net assets		$499,458	$508,065
Operating Reserves		$1,361,795	$1,479,468
Accumulated Operating Surplus (Deficit)		$1,861,253	$1,987,533
Investment in capital assets		$6,723,487	$7,149,428
Capital Reserves		$45,399	$58,946
Total Capital Funds		$6,768,886	$7,208,374
Total net assets		$8,630,139	$9,195,907
TOTAL LIABILITIES AND NET ASSETS		$60,050,507	$60,671,772

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2275

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$35,968,581	$34,832,159	$34,857,166
Alberta Infrastructure	$4,858,904	$3,819,527	$2,381,098
Alberta Finance	$987,972	$1,075,604	$1,126,916
Other Government of Alberta	$85,821	$0	$60,176
Federal Government and/or First Nations	$1,132,572	$890,184	$960,268
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$16,116	$17,044	$16,211
Instruction resource fees	$234,322	$217,967	$212,798
Transportation fees	$22,918	$18,150	$26,419
Other sales and services	$70,501	$78,606	$115,529
Investment income	$111,804	$120,000	$122,644
Gifts and donations	$76,061	$0	$0
Rentals of facilities	$145,129	$158,300	$135,675
Net school generated funds	$916,105	$790,000	$832,294
Gains on disposal of capital assets	$0	$0	$13,650
Amortization of capital allocations	$1,483,332	$1,485,450	$1,480,927
Total Revenues	$46,110,138	$43,502,991	$42,341,771
EXPENSES			
Certificated salaries	$20,994,904	$21,190,878	$19,137,061
Certificated benefits	$2,334,016	$2,015,492	$2,175,714
Uncertificated salaries and wages	$6,534,924	$6,127,838	$6,068,855
Uncertificated benefits	$1,370,606	$1,144,226	$1,143,368
Services, contracts and supplies	$11,035,308	$10,104,608	$10,156,765
Net school generated funds	$916,105	$790,000	$832,294
Capital and debt services			
Amortization of capital assets			
Supported	$1,483,332	$1,485,450	$1,480,927
Unsupported	$941,631	$1,000,653	$889,241
Total Amortization of capital assets	$2,424,963	$2,486,103	$2,370,168
Interest on capital debt			
Supported	$987,972	$1,075,604	$1,126,392
Unsupported	$68,003	$10,098	$80,489
Total interest on capital debt	$1,055,976	$1,085,702	$1,206,881
Other interest charges	$497	$0	$564
Losses on disposal of capital assets	$8,607	$0	$0
Total Expenses	$46,675,906	$44,944,847	$43,091,670
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($565,768)	($1,441,856)	($749,899)
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($565,768)	($1,441,856)	($749,899)

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2275

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($565,768)	($749,898)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,483,332)	($1,480,927)
Total amortization expense	$2,424,963	$2,370,168
Gains on disposal of capital assets	$0	($13,650)
Losses on sale of capital assets	$8,607	$0
Changes in accrued accounts:		
Accounts receivable	($1,145,718)	$74,468
Prepaids and other current assets	$80,493	($304,513)
Payables and accrued liabilities	$370,871	($231,637)
Deferred revenue	($593,326)	$262,849
Employee future benefit expense (recovery)	($203,411)	$88,710
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,106,620)	$15,570
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	($19,956)
Buildings	($2,119,791)	($24,025)
Equipment	($55,748)	($208,461)
Vehicles	($301,934)	($379,957)
Net proceeds from disposal of capital assets	$10,000	$13,650
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($2,467,473)	($618,749)
C. FINANCING ACTIVITIES		
Capital allocations received	$2,099,301	$24,025
Issue of long term debt	$0	$0
Repayment of long term debt	($1,481,842)	($1,572,054)
Add back: supported portion	$1,325,719	$1,361,379
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$1,943,179	($186,651)
Net sources (uses) of cash equivalents* during year	($1,630,914)	($789,830)
Cash Equivalents at the beginning of the year	$2,964,791	$3,754,621
Cash Equivalents at the end of the year	$1,333,877	$2,964,791

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2275

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
					RESTRICTED NET ASSETS										
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$9,233,059	$7,149,428	$508,065	$1,575,566	$1,071,630	$38,776	$115,567	$40,968	$0	$115,663	$2,704	$176,608	$13,650	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	($3,816)	$3,816	$0	$0	$0	$0	$0	$0
Change in Accounting Policy	($37,152)	$0	$0	($37,152)	$0	$0	$0	($37,152)	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$9,195,907	$7,149,428	$508,065	$1,538,414	$1,071,630	$38,776	$115,567	$0	$3,816	$115,663	$2,704	$176,608	$13,650	$0	$0
Surplus(def) of revenue over expenses	($565,768)		($565,768)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$378,172	$0	($378,172)	($40,472)	($8,325)	($66,645)		$0	($6,952)	$0	($242,129)	($13,650)	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($2,424,963)	$2,424,963												
Amortization of capital allocations		$1,483,332	($1,483,332)												
Disposal of unsupported capital assets	$0	($18,607)	$8,607	$10,000		$0			$10,000		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$156,125	($156,125)												
Net transfers to operating reserves			($235,821)	$235,821	$75,525		($60,170)			$68,120		$152,346		$0	
Net transfers from operating reserves			($2,704)	$2,704	$0		$0			$2,704		$0		$0	
Net transfers to capital reserves			($1,132)	$1,132		$0			$1,132		$0		$0		$0
Net transfers from capital reserves			$2,704	($2,704)		$0			$0		($2,704)		$0		$0
Balance at August 31, 2003	$8,630,139	$6,723,487	$499,458	$1,407,195	$1,106,683	$30,451	($11,248)	$0	$14,947	$179,534	$0	$86,826	$0	$0	$0

School Jurisdiction Code: 2275

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$0	$36,442,358
Prior period adjustment		$37,152	
Adjusted balance, August 31, 2002		$37,152	$36,442,358
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$2,099,301	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$1,325,719
Expended capital allocations - current year		($2,099,301)	$2,099,301
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,483,332
Balance at August 31, 2003		$37,152	$38,384,047

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2003

1. AUTHORITY AND PURPOSE

Northern Gateway Regional Division #10 delivers education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between instruction and support blocks.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province for new construction are recorded as deferred capital allocations until spent. Once spent, the capital allocations are transferred to unamortized capital allocations, which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Capital allocations for the purpose of debt repayment are recorded as unamortized capital allocations.

Unrestricted donations are recognized as revenue when received or receivable. Donations in kind are recorded at fair market value, when reasonably determinable.

Externally restricted donations are recognized as revenue in the period in which the restriction is complied with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

(c) Capital Assets

Capital assets are recorded at cost, except for donated assets which are recorded at the estimated fair market when acquired. The capital assets are amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 5%
Equipment	5% to 20%
Vehicles and buses	10% to 20%

Only capital assets with a cost in excess of $5,000 are capitalized. Assets with a cost less than $5,000 are treated as current operating expenses. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(d) School Generated Funds

School generated funds are funds in the community, which come under the control and responsibility of the school principal and are used for school based activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the Regional Division because the accountability, control and ownership of these funds rests with the Regional Division's officials or their appointees.

(e) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

(f) Pensions

Employees of the Regional Division participate in a multi-employer pension plan referred to as the Local Authorities Pension Plan (LAPP), which is covered by the Public Sector Pension Plans Act. The plan serves 143,113 people and about 401 employers. It is funded by employer and employee contributions and investment earnings within the fund.

The Regional Division is required to make current service contributions to the Plan of 5.525% of pensionable earnings up to the Canada Pension Plan's annual maximum pensionable earnings and 7.4% for the excess.

Total current service contributions made by the Regional Division to the Local Authorities Pension Plan in 2002/2003 were $181,943. Total current service contributions made by the Regional Division's employees to the Local Authorities Pension Plan in 2002/2003 were $148,836.

At December 31, 2002, the Plan disclosed an actuarial deficit of $444.9 million in the Plan (2002 surplus of $634.9 million).

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Northern Gateway Regional Division #10 does not make pension contributions for certified staff.

(g) Contributed Services

Volunteers contribute a considerable number of hours to assist schools within the Regional Division in the delivery of programs, including but not limited to, kindergarten, lunch services and the raising of school generated funds. Because of the difficulty in compiling the hours and determining the fair market value of these services and given the fact that these services are generally not otherwise purchased, these contributed services are not recognized in the financial statements.

(h) Inventories

The Regional Division expenses all items under $5,000 as current operating expenses and, therefore, does not track inventories of supplies in its financial statements.

(i) Financial Instruments

The Regional Division's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities and long term debt. It is management's opinion that the Regional Division is not exposed to significant interest, currency or credit risk from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximate their carrying values. The Regional Division is of the opinion that it has invested surplus funds in accordance with Section 44 of the School Act and Section 5 of the Trustees Act.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

(j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the regional Division or externally, to set aside for future operating or capital expenditures. Such reserves represent appropriations of the accumulated surplus.

(k) Employee Future Benefits

The Regional Division accounts for the future cost of employee benefits in accordance with Section 3461 of the CICA Handbook.

3. DEFERRED REVENUE

	2003	2002
One time investment grant	$ -	$ 96,197
One time block funding	27,371	27,371
Block modemization funding 2001	-	313,382
Whitecourt concept study	1,183	2,558
Valleyview concept study	80,383	80,632
BQRP for 2001 - 2003	148,572	609,022
One time grant 2002 - 2003	-	151,407
Miscellaneous	12,720	6,020
School portables	106,368	-
One time funding - maintenance	258,266	-
One time funding - transportation	58,400	-
	$ 693,263	$ 1,286,589

4. TRUST ASSETS AND LIABILITIES

	2003	2002
Endowment funds for scholarships	$ 232,894	$ 230,538
Deferred salary leave plans	19,195	7,961
Rental damage deposits	7,025	8,165
Early childhood services (ECS)	7,893	7,804
	$ 267,007	$ 254,468

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

5. LONG TERM DEBT

	2003	2002
Debentures repayable to Alberta Municipal Financing Corporation at $2,587,868 per year, including interest at rates of 6.875% to 12.0%. Debenture debt is issued on the credit and security of the Regional Division and matures between 2002 and 2019. Certain of these debentures are eligible for Provincial support. These debentures funded the construction of school buildings with a net carrying amount of $46,645,657.	$ 8,905,118	$10,240,934
Johnson Controls Ltd financing agreement, repayable at $10,570 per month including interest at a rate of 7.0%, plus an additional $75,000 principal on the anniversary of the completion of the project. The agreement, used to fund the energy retrofit project, matures in December 2006 and is secured by certain property with a net book value of $996,980.	633,369	779,386
	9,538,487	11,020,320
Less: current portion	1,394,215	1,481,845
	$ 8,144,272	$ 9,538,475

The payments of principal required to meet long term debt obligations in each of the next five years are as follows:

	Supported Principle	Unsupported Principal
2004	$ 1,225,468	$ 168,745
2005	1,078,609	182,415
2006	978,296	197,275
2007	871,069	125,324
2008	797,210	10,097
Thereafter	3,849,688	54,289
	$ 8,800,342	$ 738,145

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

6. LEASE COMMITMENTS

The Regional Division's total obligations, under various operating leases for office equipment over each of the next five years, exclusive of maintenance costs, are as follows.

2004	$ 139,027
2005	99,594
2006	86,864
2007	47,320
2008	5,085
	$ 377,890

7. CONTINGENCY

The Regional Division is a member of the Alberta Local Authorities Reciprocal Insurance Exchange (ALARIE). Under the terms of membership, the Regional Division could become liable for it's proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted as a current expenditure in the year the losses are determined. A portion of premiums paid each year are applied to the equity of the Exchange. These payments are recorded as expenses of the Regional Division in the current year as the equity of the Exchange is potentially subject to liability claims and is not a tangible asset the jurisdiction can realize.

8. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

10. INTERFUND TRANSFERS

During the year the Regional Division transferred the following amounts between funds:

	2003	2002
a) Transfers between restricted operating reserves and unrestricted net assets:		
Current operating revenues in excess of expenditures related to restricted funds	$ (565,768)	$ (749,898)
Amortization of capital assets	2,424,953	2,370,168
Amortization of capital allocations	(1,483,332)	(1,480,928)
(Gain) loss on disposal of capital assets	8,607	(13,650)
Principal payments on unsupported debt	(156,125)	(210,676)
Net transfer from unrestricted to restricted funds	$ 228,345	$ (84,984)
b) Transfers between restricted operating reserves and capital reserves:		
Interest earned on capital reserves	$ 1,132	$ 996
Ministerial order to transfer equipment lease payments	(2,704)	(10,610)
Net transfer from capital reserves to restricted operating reserves	$ (1,572)	$ (9,614)

11. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

12. CAPITAL RECONCILIATION

		2003	2002
A. Total capital assets		$54,646,009	$54,612,108
Deduct:	Long Term debt		
	- supported	(8,800,343)	10,126,066)
	- unsupported	(738,135)	(894,255)
Net total		$45,107,531	$43,591,787
B. Unamortized capital allocations		38,384,047	36,442,358
Add:	Investment in capital assets	6,723,487	7,149,427
Net total		45,107,534	43,591,785
C. Variance		$ (3)	$ 2

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

13. SCHOOL CLOSURE

One of the jurisdiction's schools closed on June 30, 2003. The Division is reviewing options for its future use or sale. The school is shown on the books at a net book value of $162,381. It is expected, if the facility is sold, that the final selling price will be substantially below the book value.

14. LEGAL CASE

The Division has been named in a legal case involving Stress leave. The maximum liability to the Division would be $40,000.

15. PRIOR PERIOD ADJUSTMENT

Deferred capital allocation previously reported as $0 in 2002, has been increased by $37,152 and supported capital reserves previously reported as $37,152 have been reduced to $0 to correct the accounting treatment of net proceeds from the sale of supported capital assets (school buildings). The use of these proceeds are externally restricted by the Alberta Government and not internally restricted by the jurisdiction.

16. RECLASSIFICATION

Other Government of Alberta Revenue has been restated for 2001/2002 by $649,320.50 to $60,176. Other Alberta Learning Revenue has been restated from ($1,204,485.19) to ($1,229,230.60) and expensed Mod/BQRP and Portable relocation has been reclassified from $352,538.12 to $1,206,604.03.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 2275

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$28,449,060	$1,334,978	$27,114,081						
(2) Support block	$5,247,213				$3,701,660			$1,545,553	
(3) Instruction & support block reallocations	$0	($25,924)	$0		$25,924			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$698,047	$24,200	$673,847						
(5) Student Health Initiative (SHI)	$214,065	$10,000	$204,065						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,264,000	$33,677	$1,210,062					$20,261	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$96,197	$0	$96,197		$0			$0	$0
(11) **Total Alberta Learning Revenue**	$35,968,581	$1,376,932	$29,298,253	$0	$3,727,584			$1,565,813	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$1,122,395	$0	$0	$1,122,395					
(13) Operations & Maintenance support	$3,614,501			$3,614,501					
(14) Operations & Maintenance support (One-Time)	$122,008			$122,008					
(15) **Total Alberta Infrastructure Revenue**	$4,858,904	$0	$0	$4,858,904					
(16) **Alberta Finance**	$987,972			$987,972	$0			$0	$0
(17) **Other - Government of Alberta**	$85,821	$0	$78,786	$7,035	$0			$0	$0
(18) **Federal Government and/or First Nations**	$1,132,572	$20,279	$985,122	$81,133	$0			$46,038	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$16,116	$0	$16,116	$0	$0			$0	$0
(22) **Instruction resource fees**	$234,322	$19,607	$214,715						
(23) **Transportation fees**	$22,918				$22,918				
(24) **Other sales and services**	$70,501	$0	$0	$6,213	$61,899			$2,389	$0
(25) **Investment income**	$111,804	$0	$107,486	$3,681	$394			$243	$0
(26) **Gifts and donations**	$76,061	$0	$55,571	$20,490	$0				$0
(27) **Rentals of facilities**	$145,129		$222	$138,603	$0			$6,305	$0
(28) **Net school generated funds**	$916,105		$916,105					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$1,483,332		$0	$1,483,332	$0				$0
(31) TOTAL REVENUES	$46,110,138	$1,416,817	$31,672,377	$7,587,361	$3,812,795			$1,620,789	$0
EXPENSES									
(32) **Certificated salaries**	$20,994,904	$549,798	$20,141,720				$303,386	$303,386	$0
(33) **Certificated benefits**	$2,334,016	$62,018	$2,246,444				$25,555	$25,555	$0
(34) **Uncertificated salaries and wages**	$6,534,924	$330,023	$3,973,264	$723,949	$848,055	$142,042	$517,590	$659,632	$0
(35) **Uncertificated benefits**	$1,370,608	$67,768	$863,567	$145,976	$156,444	$24,663	$112,188	$136,851	$0
(36) **SUB - TOTAL**	$31,234,450	$1,009,607	$27,224,994	$869,925	$1,004,499	$166,705	$958,719	$1,125,424	$0
(37) **Services, contracts & supplies**	$11,036,308	$90,696	$3,772,266	$4,089,649	$2,655,452	$144,038	$283,207	$427,244	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0		$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$916,105		$916,105						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,483,332	$0	$0	$1,483,332	$0		$0	$0	$0
(41) Unsupported	$941,631	$0	$556,035	$109,666	$245,038	$0	$30,892	$30,892	$0
(42) Total Amortization	$2,424,963	$0	$556,035	$1,592,998	$245,038	$0	$30,892	$30,892	$0
Interest on capital debt									
(43) Supported	$987,972	$0	$0	$987,972	$0		$0	$0	$0
(44) Unsupported	$68,003	$0	$0	$68,003	$0	$0	$0	$0	$0
(45) Other interest charges	$497	$0	$0	$0	$497		$0	$0	$0
(46) Losses on disposal of capital assets	$8,607	$0	$0	$8,607	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$46,675,906	$1,100,303	$32,469,401	$7,617,155	$3,905,487	$310,743	$1,272,818	$1,583,561	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($566,768)	$316,514	($797,024)	($29,794)	($92,692)			$37,228	$0
Applicable student numbers/FTE equivalent	5,807.0	408	5,404.0	5,572.3	4,681			5,807.0	
AVERAGE PROGRAM COSTS per student	$8,325	$2,710	$6,008	$1,367	$834			$282	

School Jurisdiction Code: 2275

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$16,429,107	$1,974,239	$129,203	$805,716	$413,586	$389,869	$0	$20,141,720
Certificated benefits	$1,889,279	$150,742	$12,400	$98,955	$50,010	$45,058	$0	$2,246,444
Uncertificated salaries and wages	$576,131	$1,409,502	$19,472	$398,645	$1,450,520	$112,888	$6,106	$3,973,264
Uncertificated benefits	$117,609	$321,304	$4,909	$87,154	$313,413	$16,984	$2,194	$863,567
SUB - TOTAL REMUNERATION	$19,012,126	$3,855,786	$165,984	$1,390,470	$2,227,529	$564,799	$8,300	$27,224,994
Services, contracts & supplies	$3,013,400	$291,372	$102,295	$15,720	$21,585	$180,141	$147,753	$3,772,266
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$916,105							$916,105
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$524,452	$31,583	$0					$556,035
Total Amortization	$524,452	$31,583	$0					$556,035
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$23,466,083	$4,178,741	$268,279	$1,406,190	$2,249,115	$744,940	$156,053	$32,469,401
FTE Certificated				13.1	6.7			
FTE Uncertificated				17.4	63.2			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$22,602,028	$2,184,105	$2,159,408	$0	$26,945,541	$24,340,084	$2,605,457
School Admin & Instruction Support Expenses						$4,178,741	($4,178,741)
System Instruction Support Expenses						$268,279	($268,279)
Total Basic Instruction	$22,602,028	$2,184,105	$2,159,408	$0	$26,945,541	$28,787,104	($1,841,562)
Sub-Programs & Initiatives							
Severely Disabled	$1,684,872		$0		$1,684,872	$2,249,115	($564,243)
English as a Second Language	$42,410				$42,410	$42,410	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$58,063		$0		$58,063	$134,423	($76,360)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$2,014,629				$2,014,629		$2,014,629
Growth & Density	$89,869				$89,869		$89,869
Teacher Assistants Program	$107,562				$107,562	$295,313	($187,751)
Early Literacy Initiative (K-2)	$195,861				$195,861	$234,608	($38,747)
Learning Resources Credit & Resources for the Classroom	$39,973	$66	$214,715		$254,754	$254,754	$0
Technology Integration	$223,428		$0		$223,428	$407,522	($184,094)
French Language Program & Francisation (all jurisdictions)	$7,085		$0		$7,085	$7,997	($912)
Home Education	$48,302		$0		$48,302	$56,155	($7,853)
Total Sub-Programs & Initiatives	$4,512,054		$214,715		$4,726,835	$3,682,297	$1,044,538
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$27,114,081	$2,184,171	$2,374,124	$0	$31,672,377	$32,469,401	($797,024)

School Jurisdiction Code: 2275

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,334,978	$27,114,081		$3,701,660	$1,545,553	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	($25,924)			$25,924		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$28,449,060* = *$568,981* *($25,924)*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($25,924)	$0		$25,924	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 2275

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$28,225,632
Support Block - Transportation	$3,701,660
SUBTOTAL	$31,927,292

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,614,501
Teacher Salary Enhancement	$1,264,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$85,821
Federal government/First Nations	$1,132,572
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$16,116
Other sales and services	$70,501
Interest on investments	$111,804
Rentals of facilities	$145,129
Gains on disposal of capital assets	$0
Amortization of capital allocations	$1,483,332
School generated funds (Schedule E)	$1,401,704
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$41,252,771**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	**4.35%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,794,908

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,794,908**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,583,561
PLUS: transfers to Restricted - Operating (Board/System Administration)	$68,120
LESS: transfers from Restricted - Operating (Board/System Administration)	$2,704
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,654,384
Maximum Expense Limit for Board & System Administration (Step 3)	$1,794,908
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$140,524

School Jurisdiction Code: 2275

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$976,506
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,401,704	
Less: SGF - related cost recoveries (Note 3)	$670,186	
- capitalized at the District level (Note 4)	$0	
Net Total	$731,518	
Plus: Donations Received (Note 5)	$82,571	
Equals: Net Additions to SGF		$814,089
Net SGF Available for discretionary spending		$1,790,595
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$916,105
Unexpended SGF - Closing Balance August 31, 2003		$874,489

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 2275

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$596,342	$0	$0	$127,607	$723,949		$723,949
Uncertificated benefits	$0	$117,903	$0	$0	$28,073	$145,976		$145,976
Sub-total Remuneration	$0	$714,245	$0	$0	$155,680	$869,925		$869,925
Contracted Services	$1,002,191	$80,889	$0	$595,813	$492	$1,679,385		$1,679,385
Supplies	$65,171	$373,863	$0	$526,722	$10,442	$976,198		$976,198
Electricity			$619,607			$619,607		$619,607
Natural Gas/Heating Fuel			$563,902			$563,902		$563,902
Sewer and Water			$93,848			$93,848		$93,848
Telecommunications			$16,903			$16,903		$16,903
Insurance					$139,807	$139,807		$139,807
Amortization of capital assets								
Supported							$1,483,332	$1,483,332
Unsupported						$109,666		$109,666
Total Amortization						$109,666	$1,483,332	$1,592,998
Interest on capital debt								
Supported							$987,972	$987,972
Unsupported						$68,003		$68,003
Other interest charges						$0		$0
Losses on disposal of capital assets						$8,607		$8,607
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,067,362	$1,168,997	$1,294,259	$1,122,535	$306,420	$5,145,851	$2,471,304	$7,617,155
SQUARE METRES								
School Buildings								73,439.2
Non School Buildings								5,402.4

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 2275

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Judy Muir	1.0	$29,496	$3,750	$0	$0	$0	$33,246	$11,255
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Warren Bruleigh	1.0	$11,970	$852	$0	$0	$0	$12,822	$7,997
Name	Stan Jeffreys	1.0	$15,085	$3,968	$0	$0	$0	$19,053	$7,961
Name	Grethe Jensen	1.0	$14,551	$3,911	$0	$0	$0	$18,462	$9,016
Name	Barbara Maddigan	1.0	$10,856	$1,510	$0	$0	$0	$12,366	$5,411
Name	Terry Slemko	1.0	$14,485	$3,894	$0	$0	$0	$18,378	$5,663
Name	Gerry Steinke	1.0	$19,281	$884	$0	$0	$0	$20,165	$10,574
Name	Maureen Wilcox	1.0	$10,257	$1,513	$0	$0	$0	$11,769	$5,198
Name	Marvin Zadderey	1.0	$16,709	$4,027	$0	$0	$0	$20,735	$8,989
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*9.0*	*$142,689*	*$24,307*	*$0*	*$0*	*$0*	*$166,997*	*$72,063*
Superintendent	Eugene J. Miller	1.0	$112,460	$8,479	$0	$0	$0	$120,940	$28,555
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Michael Gramatovich	1.0	$94,171	$14,325	$0	$0	$0	$108,496	$11,973
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		313.0	$20,882,444	$2,325,537	$0	$0	$0	$23,207,981	
Uncertificated Salaries & Wages		230.0	$6,298,063	$1,331,974	$0	$0	$0	$7,630,037	
TOTALS			**$27,529,827**	**$3,704,623**	**$0**	**$0**	**$0**	**$31,234,450**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 2275

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1245

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Northern Lights School Division No. 69
Name of School Jurisdiction

6005- 50th Avenue, Bonnyville, Alberta T9N 2L4
Mailing Address

Phone: (780) 826-3145 Fax: (780)826-4600
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Northern Lights School Division No. 69 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Heather Welwood	"Original signed by"
Name	**Signature**

SUPERINTENDENT

Ed Wittchen	"Original signed by"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Gary Krawchuk	"Original signed by"
Name	**Signature**

25-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 1245

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ROSS & TOPYLKI LLP
Chartered Accountants

Brian W. Ross*, C.A.
Beverley Topylki*, C.A.
* Denotes Professional Corporation
Limited Liability Partnership

Bonnyville
Phone: (780) 826-4469
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Phone: (780) 594-5554
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AUDITORS' REPORT

To the Board of Trustees of:
Northern Lights School Division No. 69

We have audited the statement of financial position of the Northern Lights School Division No. 69 (School Division) as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the School Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School Division as at August 31, 2003, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Bonnyville, Alberta
November 17, 2003

Ross & Topylki LLP
Chartered Accountants

#200 - 5201 - 44th Street, New Park Place ◆ Box 6279 ◆ Bonnyville, Alberta ◆ T9N 2G8
#1 - 5121 - 50th Avenue ◆ Box 1740 ◆ Cold Lake, Alberta ◆ T9M 1P4 (part-time office)
E-mail: rosstop@telusplanet.net

School Jurisdiction Code: 1245

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002 Restated
ASSETS			
Current assets			
Cash and temporary investments		$14,562,842	$16,039,817
Accounts receivable (net after allowances)		$2,155,416	$1,325,889
Prepaid expenses		$717,479	$185,972
Other current assets		$0	$0
Total current assets		$17,435,737	$17,551,678
School generated assets		$589,725	$576,914
Trust assets		$58,847	$63,417
Long term accounts receivable		$0	$0
Capital assets			
Land		$1,774,070	$1,641,903
Buildings	$49,887,253		
Less: accumulated amortization	($24,042,749)	$25,844,504	$25,345,964
Equipment	$3,003,243		
Less: accumulated amortization	($1,957,498)	$1,045,745	$1,164,730
Vehicles	$1,405,825		
Less: accumulated amortization	($607,381)	$798,444	$555,944
Total capital assets		$29,462,763	$28,708,541
TOTAL ASSETS		$47,547,072	$46,900,550
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,216,473	$3,256,682
Deferred revenue		$837,135	$827,006
Deferred capital allocations		$5,923,049	$7,653,358
Current portion of all long term debt		$1,323,351	$1,383,226
Total current liabilities		$11,300,008	$13,120,272
School generated liabilities		$589,725	$576,914
Trust liabilities		$58,847	$63,417
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$10,796,401	$12,053,344
	Less: Current portion of supported debt	($1,188,988)	($1,256,944)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$134,363	$260,644
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($134,363)	($126,282)
Unamortized capital allocations		$14,723,586	$12,744,593
Total long term liabilities		$24,979,571	$24,315,686
TOTAL LIABILITIES		$36,279,579	$37,435,958
NET ASSETS			
Unrestricted net assets		$97,169	$259,964
Operating Reserves		$7,361,911	$5,553,410
Accumulated Operating Surplus (Deficit)		$7,459,080	$5,813,374
Investment in capital assets		$3,808,413	$3,649,959
Capital Reserves		$0	$1,259
Total Capital Funds		$3,808,413	$3,651,218
Total net assets		$11,267,493	$9,464,592
TOTAL LIABILITIES AND NET ASSETS		$47,547,072	$46,900,550

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1245

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$42,338,840	$40,998,539	$42,156,386
Alberta Infrastructure	$4,694,593	$4,448,877	$2,607,618
Alberta Finance	$1,246,201	$1,246,201	$1,481,701
Other Government of Alberta	$218,529	$155,740	$273,496
Federal Government and/or First Nations	$1,759,218	$1,536,580	$1,610,650
Other Alberta school authorities	$0	$0	$37,014
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$74,800	$0	$21,461
Instruction resource fees	$27,974	$10,000	$0
Transportation fees	$119,621	$60,000	$95,515
Other sales and services	$456,495	$316,619	$679,280
Investment income	$217,807	$120,000	$174,720
Gifts and donations	$64,505	$10,000	$16,700
Rentals of facilities	$24,609	$25,000	$33,880
Net school generated funds	$629,351	$617,318	$577,368
Gains on disposal of capital assets	$11,750	$0	$8,419
Amortization of capital allocations	$1,445,280	$1,384,879	$1,369,236
Total Revenues	$53,329,573	$50,929,753	$51,143,444
EXPENSES			
Certificated salaries	$22,492,855	$24,694,176	$21,315,837
Certificated benefits	$2,664,380	$2,616,002	$2,502,245
Uncertificated salaries and wages	$7,446,247	$6,999,967	$6,695,132
Uncertificated benefits	$1,715,925	$1,515,911	$1,480,890
Services, contracts and supplies	$13,272,735	$11,434,844	$12,977,000
Net school generated funds	$629,351	$617,318	$577,368
Capital and debt services			
Amortization of capital assets			
Supported	$1,445,280	$1,384,879	$1,369,236
Unsupported	$586,339	$526,720	$622,606
Total Amortization of capital assets	$2,031,619	$1,911,599	$1,991,842
Interest on capital debt			
Supported	$1,246,201	$1,246,201	$1,393,058
Unsupported	$16,693	$0	$0
Total Interest on capital debt	$1,262,894	$1,246,201	$1,393,058
Other interest charges	$5,066	$0	$3,660
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$51,521,072	$51,036,018	$48,937,032
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$1,808,501	($106,265)	$2,206,412
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary item	$0	$0	$13,500
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$1,808,501	($106,265)	$2,219,912

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1245

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$1,808,501	$2,219,912
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,445,280)	($1,369,236)
Total amortization expense	$2,031,619	$1,991,842
Gains on disposal of capital assets	($11,750)	($8,419)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($829,527)	$675,456
Prepaids and other current assets	($531,507)	$359,782
Payables and accrued liabilities	($40,209)	$1,014,848
Deferred revenue	$10,129	($1,248,451)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$991,976	$3,635,734
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($176,703)	($99,638)
Buildings	($1,905,670)	($3,647,348)
Equipment	($295,181)	($573,676)
Vehicles	($408,287)	($99,647)
Net proceeds from disposal of capital assets	$6,150	$40,924
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,779,691)	($4,379,385)
C. FINANCING ACTIVITIES		
Capital allocations received	$437,020	$3,339,288
Issue of long term debt	$0	$260,644
Repayment of long term debt	($1,383,224)	($1,448,120)
Add back: supported portion	$1,256,944	$1,448,118
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$310,740	$3,599,930
Net sources (uses) of cash equivalents* during year	($1,476,975)	$2,856,279
Cash Equivalents at the beginning of the year	$16,039,817	$13,183,538
Cash Equivalents at the end of the year	$14,562,842	$16,039,817

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtedness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 1245

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS Columns 5 to 15	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$9,470,424	$3,649,959	$259,964	$5,560,501	$3,069,719	$1,259	$1,170,998	$5,832	$0	$868,871	$0	$443,822	$0	$0	$0
Prior period adjustments (describe)															
Change in accounting policy	($5,832)	$0	$0	($5,832)	$0	$0	$0	($5,832)		$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$9,464,592	$3,649,959	$259,964	$5,554,669	$3,069,719	$1,259	$1,170,998	$0	$0	$868,871	$0	$443,822	$0	$0	$0
Surplus(def) of revenue over expenses	$1,808,501		$1,808,501												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$618,512	($611,103)	($7,409)	$0	($7,409)	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($2,031,619)	$2,031,619												
Amortization of capital allocations		$1,445,280	($1,445,280)												
Disposal of unsupported capital assets	$0	$0	($6,150)	$6,150		$6,150			$0		$0		$0		$0
Disposal of supported capital assets	($5,600)		($5,600)			$0					$0		$0		$0
Debt principal payments (unsupported)		$126,281	($126,281)												
Net transfers to operating reserves			($1,828,026)	$1,828,026	$1,658,722		$169,304			$0		$0		$0	
Net transfers from operating reserves			$19,525	($19,525)	$0		$0			($11,654)		($7,871)		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$11,267,493	$3,808,413	$97,169	$7,361,911	$4,728,441	$0	$1,340,302	$0	$0	$857,217	$0	$435,951	$0	$0	$0

School Jurisdiction Code: 1245

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$7,647,526	$12,744,593
Prior period adjustment		$5,832	
Adjusted balance, August 31, 2002		$7,653,358	$12,744,593
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$238,001	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$193,419	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$5,600	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$1,256,944
Expended capital allocations - current year		($2,167,329)	$2,167,329
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,445,280
Balance at August 31, 2003		$5,923,049	$14,723,586

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the School Act, Chapter S-3, Statues of Alberta, January 1, 2002.

The School Division receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the School Division, within specified limits, to reallocate funding between the instruction and support blocks.

2. CHANGE IN ACCOUNTING POLICY

In accordance with Alberta Learning Guidelines, the School Division has changed its accounting policy for school capital reserves. Based on this guideline, the School Division's school capital reserves are now to be classified as deferred capital allocations. The change in accounting policy is to be applied retroactively resulting in an increase in deferred capital allocations and current liabilities in the amount of $5,832 and a decrease in capital reserves and restricted net assets in the same amount.

3. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school juridictions. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

3. ACCOUNTING POLICIES (Continued)

(b) Capital assets

Capital assets are recorded at cost and are amortized over their estimated useful lives on a straight line basis, at the following annual rates:

Buildings	2.5%, 4% and 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(c) School generated funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

(d) Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board, to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(e) Other current assets

Other current assets consist of prepaid supplies. Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid supplies

(f) Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contibutions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School Division does not make pension contributions for certificated staff.

(g) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

(h) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

NORTHERN LIGHTS SCHOOL DIVISION NO. 69

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2003

4. TRUST ASSETS AND LIABILITIES

This balance represents cash that is held in trust by the jurisdiction for a scholarship trust.

5. ACCOUNTS RECEIVABLE

	2003	2002
Province of Alberta	$ 1,383,033	$ 811,572
Federal Government	713,785	410,896
Other receivables	58,598	96,035
Alberta Municipalities	-	7,386
	$ 2,155,416	$ 1,325,889

6. BANK INDEBTEDNESS

The School Division has negotiated a line of credit to a maximum of the lesser of $5,000,000 or its outstanding accounts receivable as per the most recent audited financial statements, bearing interest at prime less 0.25% per annum secured by a revolving line of credit agreement and related demand promissory note, school division borrowing resolution for capital and current expenditures, Government of Alberta Department of Education Ministerial order #141/94, and an EFT transfer agreement. There was no balance outstanding on the line of credit as at year end.

7. ACCOUNTS PAYABLE

	2003	2002
Province of Alberta	$ 835,170	$ 643,005
Other trade payables and accrued liabilities	2,381,303	2,613,677
	$ 3,216,473	$ 3,256,682

8. DEFERRED REVENUE

	2003	2002
One-time Grant Funding	$ 505,088	$ 337,110
Building Quality Restoration Program	159,670	273,541
Other	172,377	216,355
	$ 837,135	$ 827,006

9. LONG TERM DEBT

a) Debenture Debt - Supported

The debenture debt bears interest at rates varying between 5.75% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Treasury on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2004	$ 1,188,988	$ 1,116,438	$ 2,305,426
2005	1,086,295	993,096	2,079,391
2006	1,019,958	877,083	1,897,041
2007	999,027	767,289	1,766,316
2008	892,765	660,008	1,552,773
Thereafter	5,609,368	2,457,915	8,067,283
	$10,796,401	$ 6,871,829	$17,668,230

b) Capital Leases - Unsupported

	2003	2002
Dell Financial Services Canad capital lease payable $149,631 annually including interest at 6.56% per annum, due September, 2003; secured by specific equipment with a carrying value of $333,190.	$ 134,363	$ 260,645
Less amount payable within one year	134,363	126,282
	$ -	$ 134,363

10. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the School Division have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

11. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represents the School Division's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995 and is adjusted for transactions after that date as explained below. The total debenture payments increase the balance in the unamortized capital allocations account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the unamortized capital allocations account.

12. CONTINGENCIES

The School Division is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the School Division can liquidate.

13. COMMITMENTS

a) Building Projects

The School Division is committed to further capital expenditures for the addition at J.A. Williams school of approximately $3,185,107. These costs are fully funded by the capital allocations from Alberta Infrastructure and are included in deferred capital allocations.

b) Photocopier Lease

The School Division is committed to the following minimum annual lease payments for photocopiers pursuant to a lease expiring August, 2005:

2004	$ 444,427
2005	444,427
	$ 888,854

14. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The School Division's primary source of income is from the Alberta Government. The School Division's ability to continue viable operations is dependent on this funding.

15. BUDGET AMOUNTS

The budget was prepared by the School Division and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

16. FINANCIAL INSTRUMENTS

The School Division's financial instruments consist of cash, temporary investments, accounts receivable, school generated funds, trust assets and liabilities, bank indebtedness, accounts payable and accrued liabilities and long term debt. It is management's opinion that the School Division is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 1245

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$33,032,205	2,086,517	$30,945,688						
(2) Support block	$6,393,358				4,707,918			1,685,440	
(3) Instruction & support block reallocations	$0	($660,191)	$660,191		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$776,340	$0	776,340						
(5) Student Health Initiative (SHI)	$182,568	$0	182,568						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,448,999	$0	1,435,765					$13,234	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$505,370	$0	325,657	$0	$0			$3,000	$176,713
(11) **Total Alberta Learning Revenue**	$42,338,840	$1,426,326	$34,326,209	$0	$4,707,918			$1,701,674	$176,713
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$408,313	$0		$408,313					
(13) Operations & Maintenance support	$4,286,280			4,286,280					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$4,694,593	$0	$0	$4,694,593					
(16) **Alberta Finance**	$1,246,201			1,246,201	$0			$0	$0
(17) **Other - Government of Alberta**	$218,529	$0	62,319	8,987	$0			$0	147,223
(18) **Federal Government and/or First Nations**	$1,759,218	$67,525	1,439,308	184,860	$0			$67,525	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$74,800	$0	60,182	$0	$0			$0	14,618
(22) **Instruction resource fees**	$27,974	$0	27,974						
(23) **Transportation fees**	$119,621				119,621				
(24) **Other sales and services**	$456,495	$0	$238,304	$28,878	$0			$28,180	$161,133
(25) **Investment income**	$217,807	$8,862	$151,548	$29,635	$20,286			7,476	$0
(26) **Gifts and donations**	$64,505	$0	$64,505	$0	$0				$0
(27) **Rentals of facilities**	$24,609		$5,407	$19,202	$0			$0	$0
(28) **Net school generated funds**	$629,351		$629,351					$0	
(29) **Gains on disposal of capital assets**	$11,750		6,150	$5,600	$0			$0	$0
(30) **Amortization of capital allocations**	$1,445,280		$68,409	1,376,871	$0				$0
(31) **TOTAL REVENUES**	$53,329,573	$1,502,713	$37,079,666	$7,594,827	$4,847,825			$1,804,855	$499,687
EXPENSES									
(32) **Certificated salaries**	$22,492,855	$737,660	$21,279,479				$346,253	$346,253	$129,463
(33) **Certificated benefits**	$2,684,380	$90,790	$2,527,687				$34,138	$34,138	$11,765
(34) **Uncertificated salaries and wages**	$7,446,247	$470,555	$4,922,619	$1,211,173	$133,831	$83,232	$535,254	$618,486	$89,583
(35) **Uncertificated benefits**	$1,715,925	$111,988	$1,210,352	$247,218	$25,833	$1,553	$112,359	$113,912	$6,624
(36) **SUB - TOTAL**	$34,319,407	$1,410,993	$29,940,137	$1,458,389	$159,664	$84,785	$1,028,004	$1,112,789	$237,435
(37) **Services, contracts & supplies**	$13,272,735	$91,720	$4,386,262	$3,235,546	$4,660,405	$58,606	$597,944	$656,550	$262,252
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$30,000	$0	($30,000)	($30,000)	$0
(39) **Net school generated funds**	$629,351		$629,351						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,445,280	$0	$68,409	$1,376,871	$0		$0	$0	$0
(41) Unsupported	$586,339	$0	$400,092	$108,516	$5,627	$0	$72,104	$72,104	$0
(42) Total Amortization	$2,031,619	$0	$468,501	$1,485,387	$5,627	$0	$72,104	$72,104	$0
Interest on capital debt									
(43) Supported	$1,246,201	$0	$0	$1,246,201	$0		$0	$0	$0
(44) Unsupported	$16,693	$0	$16,693	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$5,066	$0	$0	$0	$0		$5,066	$5,066	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$51,521,072	$1,502,713	$35,420,944	$7,425,523	$4,855,696	$143,391	$1,673,118	$1,816,509	$499,687
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$1,808,501	$0	$1,658,722	$169,304	($7,871)			($11,654)	$0
Applicable student numbers/FTE equivalent	6,182.1	490	5,853.8	6,127.1	5,929			6,182.1	
AVERAGE PROGRAM COSTS per student	$8,334	$3,067	$6,051	$1,212	$819			$294	

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$16,325,597	$2,008,859	$352,346	$680,233	$1,240,160	$672,284	$0	$21,279,479
Certificated benefits	$1,971,329	$217,071	$29,698	$82,139	$149,750	$77,700	$0	$2,527,687
Uncertificated salaries and wages	$700,183	$1,348,473	$341,815	$1,020,208	$1,366,716	$0	$145,224	$4,922,619
Uncertificated benefits	$143,015	$344,005	$70,192	$258,419	$366,085	$0	$28,636	$1,210,352
SUB - TOTAL REMUNERATION	$19,140,124	$3,918,408	$794,051	$2,040,999	$3,122,711	$749,984	$173,860	$29,940,137
Services, contracts & supplies	$3,576,206	$0	$148,348	$338,270	$272,217	$22,513	$8,708	$4,366,262
Cost recoveries & transfers	($3,845)	$0	$0	$0	$0	$3,845	$0	$0
Net school generated funds	$629,351							$629,351
Amortization of capital assets								
Supported	$27,162	$0	$41,247					$68,409
Unsupported	$368,223	$0	$31,869					$400,092
Total Amortization	$395,385	$0	$73,116					$468,501
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$16,693	$0						$16,693
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$23,753,914	$3,918,408	$1,015,515	$2,379,269	$3,394,928	$776,342	$182,568	$35,420,944
FTE Certificated				10.6	19.3			
FTE Uncertificated				54.0	72.0			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	25,073,101	2,555,111	$2,725,483	$660,191	$31,013,886	$25,426,044	$5,587,842
School Admin & Instruction Support Expenses						$3,918,408	($3,918,408)
System Instruction Support Expenses						$1,015,515	($1,015,515)
Total Basic Instruction	$25,073,101	$2,555,111	$2,725,483	$660,191	$31,013,886	$30,359,967	$653,919
Sub-Programs & Initiatives							
Severely Disabled	3,394,928		$0		$3,394,928	$3,394,928	$0
English as a Second Language	37,219				$37,219	$37,219	$0
Enhanced Opportunities	115,000				$115,000	$115,000	$0
First Nations, Metis, and Inuit Education	288,343		$0		$288,343	$304,497	($16,154)
Institutional Programs	115,783				$115,783	$155,086	($39,303)
Sparsity & Distance	1,115,786				$1,115,786		$1,115,786
Growth & Density	59,152				$59,152		$59,152
Teacher Assistants Program	116,981				$116,981	$83,697	$33,284
Early Literacy Initiative (K-2)	213,966				$213,966	$241,104	($27,138)
Learning Resources Credit & Resources for the Classroom	85,187	165,219	$27,974		$278,380	$415,785	($137,405)
Technology Integration	243,638		$0		$243,638	$243,638	$0
French Language Program & Francisation (all jurisdictions)	21,729		$0		$21,729	$21,729	$0
Home Education	64,875		$0		$64,875	$48,294	$16,581
Total Sub-Programs & Initiatives	$5,872,587		$27,974		$6,065,780	$5,060,977	$1,004,803
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$30,945,688	$2,720,330	$2,753,457	$660,191	$37,079,666	$35,420,944	$1,658,722

School Jurisdiction Code: 1245

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$2,086,517	$30,945,688		$4,707,918	$1,685,440	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Not	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$33,032,205* = *$660,644* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	($660,191)	$660,191				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($660,191)	$660,191		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1245

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$32,788,567
Support Block - Transportation	$4,707,918
SUBTOTAL	$37,496,485

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$4,286,280
Teacher Salary Enhancement	$1,448,999
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$218,529
Federal government/First Nations	$1,759,218
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$74,800
Other sales and services	$456,495
Interest on investments	$217,807
Rentals of facilities	$24,609
Gains on disposal of capital assets	$11,750
Amortization of capital allocations	$1,445,280
School generated funds (Schedule E)	$1,481,987
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$48,922,239**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	4.05%
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	$1,978,905

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0

(If none of these considerations apply, leave the above cells blank)

MAXIMUM EXPENSE LIMIT	**$1,978,905**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,816,509
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$11,654
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,804,855
Maximum Expense Limit for Board & System Administration (Step 3)	$1,978,905
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$174,050

School Jurisdiction Code: 1245

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$576,914
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,481,987	
Less: SGF - related cost recoveries (Note 3)	$933,673	
- capitalized at the District level (Note 4)	$20,000	
Net Total	$528,314	
Plus: Donations Received (Note 5)	$113,848	
Equals: Net Additions to SGF		$642,162
Net SGF Available for discretionary spending		$1,219,076
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$629,351
Unexpended SGF - Closing Balance August 31, 2003		$589,725

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1245

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$482,411	$523,568	$14,439	$0	$190,755	$1,211,173		$1,211,173
Uncertificated benefits	$100,995	$104,309	$4,212	$0	$37,700	$247,216		$247,216
Sub-total Remuneration	$583,406	$627,877	$18,651	$0	$228,455	$1,458,389		$1,458,389
Contracted Services	$675,435	$215,824	$0	$408,313	$23,504	$1,323,076		$1,323,076
Supplies	$200,319	$234,149	$0	$0	$6,905	$441,373		$441,373
Electricity			$745,095			$745,095		$745,095
Natural Gas/Heating Fuel			$543,206			$543,206		$543,206
Sewer and Water			$64,769			$64,769		$64,769
Telecommunications			$28,178			$28,178		$28,178
Insurance					$89,849	$89,849		$89,849
Amortization of capital assets								
Supported							$1,376,871	$1,376,871
Unsupported						$108,516		$108,516
Total Amortization						$108,516	$1,376,871	$1,485,387
Interest on capital debt								
Supported							$1,246,201	$1,246,201
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,459,160	$1,077,850	$1,399,899	$408,313	$348,713	$4,802,451	$2,623,072	$7,425,523
SQUARE METRES								
School Buildings								78,757.0
Non School Buildings								1,875.0

Notes:

Custodial: All expenses related to activities undertaken to keep the school environment clean and safe.

Maintenance: All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.

Utilities & Telecommunications: All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

Expensed Block Mod/BQRP & Portable Relocations: All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.

Facility Planning & Operations Maintenance: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1245

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Welwood, Heather	1.0	$13,700	$340	$0	$0	$0	$14,040	$5,860
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Coli, Marilyn	1.0	$2,955	$9	$0	$0	$0	$2,964	$328
Name	Doonanco, Peter	1.0	$10,857	$123	$0	$0	$0	$10,980	$4,639
Name	Evans, Mary Lynne	1.0	$8,400	$157	$0	$0	$0	$8,557	$4,873
Name	Hrynyk, Arlene	1.0	$12,405	$292	$0	$0	$0	$12,697	$8,595
Name	McDonald, Randy	1.0	$11,425	$251	$0	$0	$0	$11,676	$8,230
Name	Ryll, Adolph	1.0	$8,610	$137	$0	$0	$0	$8,747	$1,862
Name	Suhan, Roxanne	1.0	$10,230	$208	$0	$0	$0	$10,438	$4,765
Name	Todd, Rodney	1.0	$4,650	$36	$0	$0	$0	$4,686	$1,096
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*9.0*	*$83,232*	*$1,553*	*$0*	*$0*	*$0*	*$84,785*	*$40,248*
Superintendent	Wittchen, Ed	1.0	$123,825	$9,595	$5,500	$0	$0	$138,920	$9,810
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Krawchuk, Gary	1.0	$104,116	$13,911	$0	$0	$0	$118,027	$6,946
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		324.5	$22,369,030	$2,649,285	$0	$0	$0	$25,018,315	
Uncertificated Salaries & Wages		243.2	$7,258,899	$1,700,461	$0	$0	$0	$8,959,360	
TOTALS			$29,939,102	$4,374,805	$5,500	$0	$0	$34,319,407	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 1245

SCHEDULE G1 to the AFS

DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*

COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1280

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Northland School Division No. 61
Name of School Jurisdiction

9809 - 77 Ave. Peace River, AB, T8S 1V2
Mailing Address

Telephone #: (780) 624-2060 FAX #: (780) 624-5914
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Northland School Division No. 61
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Steve Noskey
Name
Signature

SUPERINTENDENT

Annette Ramrattan
Name
Signature

SECRETARY TREASURER OR TREASURER

Len Leithead
Name
Signature

31-Jan-04
Board-approved Release Date

c.c. ALBERTA LEARNING, School Reporting Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jerry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 1280

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AUDITOR
GENERAL
Alberta

AUDITOR'S REPORT

To the Board of Trustees,
Northland School Division No. 61

I have audited the statement of financial position of the Northland School Division No. 61 (the Division) as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets, capital allocations and Schedule G disclosure of salaries and benefits for the year then ended. All other schedules attached to these financial statements are unaudited.

These financial statements are the responsibility of the Division's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Division as at August 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred Dunn FCA
Auditor General

Edmonton, Alberta
December 19, 2003

School Jurisdiction Code: 1280

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002 Restated
ASSETS			
Current assets			
Cash and temporary investments		$5,244,394	$11,183,572
Accounts receivable (net after allowances)		$7,088,942	$5,999,854
Prepaid expenses		$228,134	$173,586
Other current assets		$110,486	$114,138
Total current assets		$12,671,956	$17,471,150
School generated assets		$247,546	$229,990
Trust assets		$0	$0
Long term accounts receivable		$1,458,294	$0
Capital assets			
Land		$577,347	$572,235
Buildings	$79,585,300		
Less: accumulated amortization	($41,982,846)	$37,602,454	$38,839,981
Equipment	$8,393,189		
Less: accumulated amortization	($7,258,352)	$1,134,837	$754,694
Vehicles	$4,018,716		
Less: accumulated amortization	($2,461,354)	$1,557,362	$1,310,333
Total capital assets		$40,872,000	$41,477,243
TOTAL ASSETS		$55,249,796	$59,178,383
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,454,668	$4,816,799
Deferred revenue		$1,479,162	$1,734,632
Deferred capital allocations		$493,191	$622,513
Current portion of all long term debt		$2,206,025	$2,293,038
Total current liabilities		$6,633,046	$9,466,982
School generated liabilities		$247,546	$229,990
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$14,083,565	$16,358,630
Less: Current portion of supported debt		($2,198,052)	($2,285,065)
Unsupported: Debentures and Capital Loans		$27,218	$35,191
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($7,973)	($7,973)
Unamortized capital allocations		$20,649,770	$19,732,795
Total long term liabilities		$32,802,074	$34,073,568
TOTAL LIABILITIES		$39,435,120	$43,540,550
NET ASSETS			
Unrestricted net assets		$4,844,271	$4,806,902
Operating Reserves		$1,416,374	$1,965,714
Accumulated Operating Surplus (Deficit)		$6,260,645	$6,772,616
Investment in capital assets		$6,111,447	$5,340,627
Capital Reserves		$3,442,584	$3,524,590
Total Capital Funds		$9,554,031	$8,865,217
Total net assets		$15,814,676	$15,637,833
TOTAL LIABILITIES AND NET ASSETS		$55,249,796	$59,178,383

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1280

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$24,822,305	$24,955,061	$24,252,445
Alberta Infrastructure	$2,775,817	$1,390,577	$1,080,060
Alberta Finance	$1,728,823	$1,855,501	$1,987,789
Other Government of Alberta	$205,741	$70,805	$168,725
Federal Government and/or First Nations	$15,873,677	$16,279,889	$14,553,148
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$0	$0	$0
Transportation fees	$0	$0	$0
Other sales and services	$115,010	$134,600	$219,791
Investment income	$192,646	$310,000	$173,803
Gifts and donations	$51,014	$10,000	$80,723
Rentals of facilities	$706,895	$688,750	$702,280
Net school generated funds	$560,395	$550,000	$669,806
Gains on disposal of capital assets	$37,387	$0	$32,777
Amortization of capital allocations	$2,366,312	$2,164,202	$2,349,419
Total Revenues	$49,436,022	$48,409,385	$46,270,766
EXPENSES			
Certificated salaries	$16,914,832	$16,763,541	$15,473,311
Certificated benefits	$4,096,043	$4,034,420	$3,498,012
Uncertificated salaries and wages	$8,451,526	$9,113,011	$8,569,588
Uncertificated benefits	$1,823,182	$2,293,812	$1,767,641
Services, contracts and supplies	$12,342,956	$11,724,816	$11,515,304
Net school generated funds	$560,395	$550,000	$669,806
Capital and debt services			
Amortization of capital assets			
Supported	$2,366,312	$2,164,202	$2,162,425
Unsupported	$947,835	$771,134	$858,836
Total Amortization of capital assets	$3,314,147	$2,935,336	$3,021,261
Interest on capital debt			
Supported	$1,728,823	$1,855,501	$1,987,789
Unsupported	$5,124	$3,959	$4,860
Total interest on capital debt	$1,733,947	$1,859,460	$1,992,649
Other interest charges	$7,652	$12,000	$8,017
Losses on disposal of capital assets	$14,499	$0	$190,780
Total Expenses	$49,259,179	$49,286,396	$46,706,369
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$176,843	($877,011)	($435,603)
Block BORP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$176,843	($877,011)	($435,603)

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1280

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$176,843	($435,603)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,366,312)	($2,349,419)
Total amortization expense	$3,314,147	$3,021,261
Gains on disposal of capital assets	($37,387)	($32,777)
Losses on sale of capital assets	$14,499	$190,780
Changes in accrued accounts:		
Accounts receivable	($2,547,382)	$1,253,679
Prepaids and other current assets	($50,896)	($84,558)
Payables and accrued liabilities	($2,362,131)	$1,836,306
Deferred revenue	($255,470)	($282,475)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($4,114,089)	$3,117,194
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($5,112)	$0
Buildings	($1,279,780)	($7,298,910)
Equipment	($740,813)	($445,503)
Vehicles	($709,551)	($412,930)
Net proceeds from disposal of capital assets	$49,240	$44,592
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($2,686,016)	($8,112,751)
C. FINANCING ACTIVITIES		
Capital allocations received	$868,900	$4,053,197
Issue of long term debt	$0	$0
Repayment of long term debt	($2,293,038)	($2,338,838)
Add back: supported portion	$2,285,065	$2,330,865
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$860,927	$4,045,224
Net sources (uses) of cash equivalents* during year	($5,939,178)	($950,333)
Cash Equivalents at the beginning of the year	$11,183,572	$12,133,905
Cash Equivalents at the end of the year	$5,244,394	$11,183,572

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1280

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
					RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS Columns 5 to 15	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$15,785,790	$5,340,827	$4,806,902	$5,638,261	$105,842	$784,882	$148,612	$147,957	$1,064,368	$230,527	$399,368	$32,183	$753,284	$1,450,550	$522,690
Prior period adjustments (describe)															
Sale of supported residences	($135,374)	$0	$0	($135,374)	$0	$0	$0	($135,374)	$0	$0	$0	$0	$0	$0	$0
Interest earned on capital projects	($12,583)	$0	$0	($12,583)	$0	$0	$0	($12,583)	$0	$0	$0	$0	$0	$0	$0
see note 16	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$15,637,833	$5,340,827	$4,808,902	$5,490,304	$105,842	$784,882	$148,612	$0	$1,064,368	$230,527	$399,368	$32,183	$753,284	$1,450,550	$522,690
Surplus(def) of revenue over expenses	$178,843		$178,843												
Block BGRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$1,737,033	$0	($1,737,033)	($15,705)	($172,844)	$0		($226,378)	$0	($258,809)	$0	($581,553)	($125,898)	($356,048)
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($3,314,147)	$3,314,147												
Amortization of capital allocations		$2,366,312	($2,366,312)												
Disposal of unsupported capital assets	$0	($26,351)	($22,889)	$49,240		$3,107			$33,077		$0		$2,417		$10,639
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$7,973	($7,973)												
Net transfers to operating reserves			($21,345)	$21,345	$21,345		$0			$0		$0		$0	
Net transfers from operating reserves			$429,082	($429,082)	$0		($148,612)			($34,081)		($32,183)		($216,206)	
Net transfers to capital reserves			($1,464,184)	$1,464,184		$231,576			$146,118		$296,337		$356,228		$433,925
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$15,814,876	$6,111,447	$4,844,271	$4,858,958	$111,482	$846,921	$0	$0	$1,017,185	$196,446	$436,894	$0	$530,376	$1,108,446	$611,206

School Jurisdiction Code: 1280

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002	$474,556	$19,732,795
Prior period adjustment	$147,957	
Adjusted balance, August 31, 2002	$622,513	$19,732,795
Add:		
Capital allocations from: AB Infrastructure - New/Modernization Projects	$843,156	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$1,680	
Other capital grants and donations	$24,064	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (depreciable, at Fair Market Value)		$0
Transferred in capital assets (depreciable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$2,285,065
Expended capital allocations - current year	($998,222)	$998,222
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$2,366,312
Balance at August 31, 2003	$493,191	$20,649,770

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

NORTHLAND SCHOOL DIVISION NO. 61
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

Note 1 Authority

Northland School Division No. 61 delivers education programs under the authority of the School Act, Chapters S-3, Statutes of Alberta, January 1, 2002 and also operates under the authority of the Northland School Division Act, Chapter N-10-1, Revised Statutes of Alberta, 1990.

The Division receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

Note 2 Significant Accounting Policies and Reporting Practices

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependant on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Externally restricted non-capital contributions are deferred and recognized as revenue in the year when related expenses are incurred.

Fees for service related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the Province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired with the grant.

Unrestricted donations are recognized as revenue when they are received.

(b) Capital Assets

Capital assets are recorded at cost. The cost less an estimated residual value is amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	5 to 40 years
Computers	5 years
Equipment	5 to 10 years
Vehicles	3 to 6 years

Note 2 con't

Computers and related equipment are capitalized, together with other capital assets having a cost in excess of $5,000. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(c) School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues, and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with the school jurisdiction.

(d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

(e) Contributed Services

Volunteers assist schools operated by the Division in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

(f) Pension Obligation:

The Division participates in the Local Authorities Pension Plan. In addition, the Division's certificated employees are required to contribute to the Teachers' Retirement Fund. These pension plans are multi-employer defined benefit pension plans that provide pensions for the Division's participating employees, based on years of service and earnings.

Pension costs are disclosed as part of salaries and wages and are comprised of the amount of employer contributions required for its employees during the year, based on rates which are expected to provide for benefits payable under the Local Authorities Pension Plan, and the Province's contributions to the Teachers' Retirement Fund for the Division's certificated employees. The Division's portion of the pension plans deficits or surpluses are not recorded by the Division.

(g) Operating and Capital Reserves:

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

NORTHLAND SCHOOL DIVISION NO. 61
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

Note 3 Cash and temporary investments

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

Note 4 Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, temporary investments, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, or currency risk arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

Note 5 Other Current Assets

Other current assets consist of advances to various hot lunch programs throughout the division.

Note 6 Tuition Fees

Pursuant to agreements, the Minister of Indian and Northern Affairs and certain Indian Bands have agreed to pay to the Board of the Division a per capita share of the annual net operating costs of the Board for each Indian Student enrolled. The calculation of the amount recoverable from the Minister and the Bands is subject to possible future adjustments since all components of the net operating costs must be mutually agreed upon by the Minister or Bands and the Board, as required under the agreements.

Note 7 Accounts Receivable (Net after allowances)

	2003	2002
Short Term		
Province of Alberta	$ 2,385,323	$ 1,815,531
First Nations	4,392,248	3,706,685
Department of Indian Affairs	31,090	23,884
Other Federal Government	224,559	389,687
Other	55,722	64,067
Total Short Term	$ 7,088,942	$ 5,999,854
Long Term		
First Nations	1,458,294	-
Total Accounts Receivable	$ 8,547,236	$ 5,999,854

NORTHLAND SCHOOL DIVISION NO. 61
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

Note 8 Accounts Payable and Accrued Liabilities

	2003	2002
Trade payables	$ 1,989,405	$ 2,773,078
Wage payable accrual	-	1,033,221
Federal Government payable	336,434	292,645
Holdbacks payable	92,973	678,725
Security deposits payable	35,856	32,749
Other payables and accruals	-	6,381
	$ 2,454,668	$ 4,816,799

Note 9 Deferred Revenue

	2003	2002
Block BQRP funding	$ 441,318	$ 544,716
One Time Operations & Maintenance support	389,016	-
2001-2002 Modernization grant	284,706	450,492
2000-2001 Modernization grant	100,290	171,306
2002-2003 One Time Equivalent to 3% increase in grants	-	102,167
1999 One Time Grant	-	116,349
1999 One Time per Capita Grant	12,321	27,021
Alberta Initiative for School Improvement	121,235	-
Federal Revenue	-	183,459
Other Provincial Revenue	26,946	101,683
Donations	103,330	37,439
	$ 1,479,162	$ 1,734,632

Note 10 Commitments

Lease Obligations

The Division leases certain buildings and office equipment under operating leases. The future minimum lease payments under operating leases are as follows:

2004	147,100
2005	147,100
2006	71,993
2007	22,031
2008	-
	$388,224

NORTHLAND SCHOOL DIVISION NO. 61
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

Note 11 Long-term Debt

The school division has issued the following debentures to the Alberta Capital Finance Authority (A.C.F.A.) to finance purchase of land, school buildings and some residences having a carrying value of $38,165,598. The interest rates on these debentures range from 7 ¾% to 12%.

	2003	2002
Total debentures owing to A.C.F.A.	$ 14,110,783	$ 16,403,821
Less due within one year - Supported	2,198,052	2,285,065
- Unsupported	7,973	7,973
	$ 11,904,758	$ 14,110,783

Principal & interest repayments required during each of the next five fiscal years are as follows:

	Principal	Interest	Total
2003-2004	$ 2,206,025	$ 1,601,959	$ 3,807,984
2004-2005	2,170,400	1,352,380	3,522,780
2005-2006	2,163,680	1,106,552	3,270,232
2006-2007	2,041,577	861,512	2,903,089
2008 to maturity	5,529,101	1,491,950	7,021,051
Total	$ 14,110,783	$ 6,414,353	$ 20,525,136

Principal repayments and interest on the above debentures, with the exception of 5 debentures totaling $27,218 as at August 31, 2003, (2002 - $35,191) are funded by Alberta Finance.

Note 12 Pension Costs

The pension expense recorded in these financial statements is equivalent to the Division's annual contributions payable of $276,201 for the year ended August 31, 2003 (2002 - $249,387). The Division has also recorded in these financial statements contributions made to Teachers' Retirement Fund in the amount of $2,107,087 for the year ending August 31, 2003 (2002 - $1,807,010). Under the terms of the Teachers' Pension Plan Act, the Division does not make pension contributions for certificated staff, these contributions are made by the Alberta Government.

As of December 31, 2002 the Local Authorities Pension Plan reported a deficit of $444,980,000 (2001 surplus of - $634,960,000). At August 31, 2002 the Teachers' Retirement Fund reported a deficit of $5,747,600,000 (2001 - $4,707,900,000).

Note 13 Residential Schools

A number of claims have been filed against the Government of Canada. The Division has been named as a third party with the Government in these claims in regards to programs offered by the Division from the early 1960's to the early 1970's. In one of the claims the division has been named as a defendant. The Division has entered into an indemnity agreement in which the Province of Alberta has agreed to indemnify Northland School Division for these claims and related costs incurred.

NORTHLAND SCHOOL DIVISION NO. 61
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

Note 14 Budget Amounts

The budget was prepared by the Division's management with Board of Trustees approval given on June 21, 2002. The budget amounts have been adjusted to include contributions made by the Government of Alberta to the Teachers' Retirement Fund for comparative purposes.

Note 15 Economic Dependence on Related Third Party

Northland School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

Note 16 Prior Period Adjustments

Deferred Capital Allocations previously reported as $474,556 in 2002 have been increased to $622,513 and Supported Capital Reserves previously reported as $147,957 in 2002 have been decreased to $0 to correct the accounting treatment of net proceeds resulting from the sale of supported capital assets. The use of these proceeds is externally restricted by the Alberta Government and not internally restricted by the Division.

Note 17 Presentation of Comparative Information

Certain figures have been reclassified to conform to current year's presentation.

Note 18 Approval of Financial Statements

These financial statements were prepared by management and approved by the Board of Trustees on January 31, 2004.

School Jurisdiction Code: 1280

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin.	External Services
Alberta Learning allocations									
(1) Instruction block	$12,534,834	$408,804	$11,626,130						
(2) Support block	$3,201,826				$2,082,114			$1,119,712	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$726,721	$0	$726,721						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$821,000	$0	$821,000					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$7,898,324	$14,494	$4,374,702	$0	$91,001			$131,148	$3,275,999
(11) **Total Alberta Learning Revenue**	$24,882,309	$423,298	$17,344,133	$0	$2,174,615			$1,250,860	$3,275,999
Alberta Infrastructure									
(12) Expensed Block Mod. Block BQRP support	$350,211	$0	$0	$350,211					
(13) Operations & Maintenance support	$2,406,072			$2,406,072					
(14) Operations & Maintenance support (One-Time)	$18,534			$18,534					
(15) **Total Alberta Infrastructure Revenue**	$2,775,817	$0	$0	$2,775,817					
(16) **Alberta Finance**	$1,720,823			$1,567,305	$0			$0	$147,229
(17) **Other - Government of Alberta**	$205,741	$0	$32,140	$0	$0			$0	$173,601
(18) **Federal Government and/or First Nations**	$15,878,877	$336,156	$9,654,204	$1,640,313	$874,246			$1,062,710	$1,976,832
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$0	$0	$0						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$115,010	$0	$30,008	$13,641	$5,785			$27,000	$38,568
(25) **Investment income**	$182,646	$0	$135,333	$0	$0			$0	$47,313
(26) **Gifts and donations**	$51,014	$0	$50,914	$0	$0				$100
(27) **Rentals of facilities**	$706,895		$0	$9,750	$0			$0	$697,145
(28) **Net school generated funds**	$580,305		$580,305					$0	
(29) **Gains on disposal of capital assets**	$37,387		$2,587	$24,837	$1,492			$0	$8,471
(30) **Amortization of capital allocations**	$2,360,312		$21,700	$2,210,340	$0				$128,272
(31) **TOTAL REVENUES**	$48,438,022	$1,159,454	$27,843,505	$8,571,254	$3,055,530			$2,380,866	$8,445,580
EXPENSES									
(32) **Certificated salaries**	$16,814,832	$118,354	$14,754,413				$213,540	$213,540	$1,830,825
(33) **Certificated benefits**	$4,099,043	$27,254	$3,540,060				$48,978	$48,978	$441,730
(34) **Uncertificated salaries and wages**	$8,451,320	$566,006	$4,280,020	$1,640,003	$700,060	$115,743	$707,490	$823,244	$426,479
(35) **Uncertificated benefits**	$1,823,182	$136,350	$914,707	$357,489	$168,510	$1,895	$154,896	$156,788	$89,281
(36) **SUB - TOTAL**	$31,798,383	$847,967	$23,535,203	$2,007,182	$869,590	$117,635	$1,122,913	$1,240,548	$2,788,004
(37) **Services, contracts & supplies**	$12,342,958	$137,812	$5,560,410	$2,658,729	$1,821,740	$548,596	$454,919	$1,001,504	$3,105,747
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	($132,800)	$0	$0	$0	$0	$132,800
(39) **Net school generated funds**	$580,305		$580,305						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$2,360,312	$0	$21,700	$2,210,437	$0		$0	$0	$128,150
(41) Unsupported	$947,838	$0	$234,560	$43,173	$364,118	$0	$112,430	$112,430	$193,550
(42) Total Amortization	$3,316,167	$0	$256,271	$2,260,830	$364,110	$0	$112,430	$112,430	$321,700
Interest on capital debt									
(43) Supported	$1,720,823	$0	$0	$1,581,593	$0		$0	$0	$147,230
(44) Unsupported	$6,124	$0	$0	$0	$0	$0	$0	$0	$6,124
(45) Other interest charges	$7,652	$0	$1,517	$0	$0		$6,135	$6,135	$0
(46) Losses on disposal of capital assets	$14,490	$0	$3,075	$11,290	$75	$0	$48	$48	$31
(47) **TOTAL EXPENSES**	$48,258,178	$985,779	$27,946,877	$8,412,383	$3,055,530	$664,271	$1,690,445	$2,380,866	$8,497,636
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$178,843	$173,677	($103,472)	$158,675	$0			$0	($52,037)
Applicable student numbers/FTE equivalent	2,811.5	297	2,663.0	2,752.5	2,053			2,811.5	
AVERAGE PROGRAM COSTS per student	$17,321	$3,319	$10,495	$3,066	$1,034			$845	

School Jurisdiction Code: 1280

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$9,155,747	$1,548,012	$582,945	$2,371,411	$1,037,708	$78,592	$0	$14,754,413
Certificated benefits	$2,205,387	$383,482	$159,753	$567,571	$247,446	$18,429	$0	$3,590,068
Uncertificated salaries and wages	$2,249,413	$797,775	$127,549	$50,129	$1,049,436	$11,723	$0	$4,286,025
Uncertificated benefits	$533,135	$131,913	$28,093	$10,803	$208,140	$2,713	$0	$914,797
SUB - TOTAL REMUNERATION	$14,143,682	$2,861,182	$878,340	$2,999,914	$2,542,720	$109,457	$0	$23,535,303
Services, contracts & supplies	$1,920,868	$583,678	$770,307	$40,000	$92,275	$183,488	$0	$3,690,416
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$560,305							$560,305
Amortization of capital assets								
Supported	$21,705	$0	$0					$21,705
Unsupported	$218,568	$0	$15,998					$234,566
Total Amortization	$240,273	$0	$15,998					$256,271
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$1,517	$0						$1,517
Losses on disposal of capital assets	$3,075	$0						$3,075
TOTAL EXPENSES	$16,869,810	$3,444,860	$1,684,645	$3,039,914	$2,635,003	$282,945	$0	$27,946,977
FTE Certificated				46.6	24.0			
FTE Uncertificated				2.0	38.0			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$6,806,856	$5,498,091	$9,121,331	$0	$21,426,278	$18,182,160	$3,244,118
School Admin & Instruction Support Expenses						$3,444,860	($3,444,860)
System Instruction Support Expenses						$1,664,645	($1,664,645)
Total Basic Instruction	$6,806,856	$5,498,091	$9,121,331	$0	$21,426,278	$23,291,665	($1,865,387)
Sub-Programs & Initiatives							
Severely Disabled	$849,630		$1,002,295		$1,851,925	$2,635,003	($783,078)
English as a Second Language	$597,679				$597,679	$635,457	($37,778)
Enhanced Opportunities	$42,000				$42,000	$46,634	($4,634)
First Nations, Metis, and Inuit Education	$385,481		$371,746		$757,227	$929,365	($172,138)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$2,802,819				$2,802,819		$2,802,819
Growth & Density	$97,474				$97,474		$97,474
Teacher Assistants Program	$46,842				$46,842	$51,457	($4,615)
Early Literacy Initiative (K-2)	$91,267				$91,267	$183,484	($92,217)
Learning Resources Credit & Resources for the Classroom	$18,726	$23,912	$0		$42,638	$43,173	($535)
Technology Integration	$68,843		$0		$68,843	$114,157	($45,314)
French Language Program & Francisation (all jurisdictions)	$0		$0		$0	$0	$0
Home Education	$18,513		$0		$18,513	$16,582	$1,931
Total Sub Programs & Initiatives	$5,019,274		$1,374,041		$6,417,227	$4,655,312	$1,761,915
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$11,826,130	$5,522,003	$10,495,372	$0	$27,843,506	$27,946,977	($103,472)

School Jurisdiction Code: 1260

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$808,804	$11,826,130		$2,082,114	$1,110,712	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (N	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$12,634,934* = *$252,699* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1280

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$12,566,091
Support Block - Transportation	$2,082,114
SUBTOTAL	$14,648,205
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,406,072
Teacher Salary Enhancement	$921,000
Other Alberta Learning revenues (Describe) School Food Services, Secondment	$2,789,809
Other - Government of Alberta (Excluding Alberta Finance)	$205,741
Federal government/First Nations	$15,873,677
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$115,010
Interest on investments	$192,646
Rentals of facilities	$706,895
Gains on disposal of capital assets	$37,387
Amortization of capital allocations	$2,366,312
School generated funds (Schedule E)	$540,218
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	$40,802,972

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	5.70%
If "Total Net Enrolled Students" are 2,000 and le: = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$2,326,585
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		$2,326,585

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$2,360,666
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$34,081
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,326,585
Maximum Expense Limit for Board & System Administration (Step 3)	$2,326,585
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	$0

School Jurisdiction Code: 1280

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$229,990
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$540,218	
Less: SGF - related cost recoveries (Note 3)	$28,500	
- capitalized at the District level (Note 4)	$0	
Net Total	$511,718	
Plus: Donations Received (Note 5)	$66,233	
Equals: Net Additions to SGF		$577,951
Net SGF Available for discretionary spending		$807,941
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$560,395
Unexpended SGF - Closing Balance August 31, 2003		$247,546

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1280

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$984,669	$447,725	$0	$0	$217,299	$1,649,693		$1,649,693
Uncertificated benefits	$237,118	$82,517	$0	$0	$37,834	$357,469		$357,469
Sub-total Remuneration	$1,221,787	$530,242	$0	$0	$255,133	$2,007,162		$2,007,162
Contracted Services	$52,339	$663,512	$0	$356,212	$11,231	$1,083,294		$1,083,294
Supplies	$140,979	$69,477	$0	$0	$920	$211,376		$211,376
Electricity			$651,046			$651,046		$651,046
Natural Gas/Heating Fuel			$598,646			$598,646		$598,646
Sewer and Water			$43,780			$43,780		$43,780
Telecommunications			$25,971			$25,971		$25,971
Insurance					$71,616	$71,616		$71,616
Amortization of capital assets								
Supported							$2,216,457	$2,216,457
Unsupported						$43,173		$43,173
Total Amortization						$43,173	$2,216,457	$2,259,630
Interest on capital debt								
Supported							$1,581,593	$1,581,593
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$11,269		$11,269
Cost recoveries & transfers						($132,800)		($132,800)
TOTAL EXPENSES	$1,415,105	$1,263,231	$1,319,443	$356,212	$338,900	$4,614,533	$3,798,050	$8,412,583
SQUARE METRES								
School Buildings								44,744.0
Non School Buildings								951.3

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electricty, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety staindards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1280

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	. Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name Steve Noskey	1.0	$29,548	$228	$0	$0	$0	$29,776	$33,675
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:								
Name as Attached	23.0	$83,133	$1,505	$0	$0	$0	$84,638	$200,219
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal	*24.0*	*$112,681*	*$1,733*	*$0*	*$0*	*$0*	*$114,414*	*$233,894*
Superintendent Annette Ranvatan	1.0	$106,080	$22,923	$0	$0	$0	$129,003	$34,938
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Len Leithead	1.0	$96,603	$15,740	$0	$0	$0	$112,343	$13,010
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	280.9	$16,808,752	$4,073,120	$0	$0	$0	$20,881,872	
Uncertificated Salaries & Wages	287.2	$8,242,242	$1,805,709	$0	$0	$0	$10,047,951	
TOTALS		$25,366,358	$5,919,225	$0	$0	$0	$31,285,583	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 1280

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Board of Trustees:								
Chairman								
Name	0	$0	$0	$0	$0	$0	$0	$0
Name	0	$0	$0	$0	$0	$0	$0	$0
Name	0	$0	$0	$0	$0	$0	$0	$0
Board Members:								
Belinda Halabisky	1	$6,452	$174	$0	$0	$0	$6,626	$14,969
James Alook	1	$5,456	$117	$0	$0	$0	$5,573	$14,971
Elsie Fabian	1	$4,100	$98	$0	$0	$0	$4,198	$15,241
Kathleen Lepine	1	$2,360	$53	$0	$0	$0	$2,413	$8,442
Arlene Belrose	0.08	$682	$6	$0	$0	$0	$688	$3,434
Frances Bissell	1	$10,478	$420	$0	$0	$0	$10,898	$23,269
Thomas Auger	0.67	$2,542	$25	$0	$0	$0	$2,567	$6,175
Cheryl Wogan	1	$3,782	$39	$0	$0	$0	$3,821	$12,854
Hilma Doreen Supernault	1	$4,030	$32	$0	$0	$0	$4,062	$10,595
Blue-Eyes Simpson	1	$4,030	$34	$0	$0	$0	$4,064	$6,745
Ida Noskey	0.5	$868	$16	$0	$0	$0	$884	$3,795
Karen Lee Cunningham	0.33	$496	$3	$0	$0	$0	$499	$1,139
Danny Cardinal	1	$1,612	$12	$0	$0	$0	$1,624	$3,291
Darlene Courtorielle	0.33	$806	$28	$0	$0	$0	$834	$2,497
Elmer Gullion	1	$5,332	$127	$0	$0	$0	$5,459	$12,662
Billy McDonald	1	$4,340	$45	$0	$0	$0	$4,385	$11,245
George Nokohoo	1	$2,170	$17	$0	$0	$0	$2,187	$4,695
Francine Oliver	0.08	$372	$20	$0	$0	$0	$392	$1,778
Ken Shaw	1	$4,774	$94	$0	$0	$0	$4,868	$12,832
Shirley Tremblay	1	$1,860	$14	$0	$0	$0	$1,874	$5,751
Ivan Villeneuve	0.92	$1,860	$14	$0	$0	$0	$1,874	$3,962
Neil Ernest Rutley	1	$2,852	$22	$0	$0	$0	$2,874	$2,215
Wilhelm Braun	1	$1,302	$10	$0	$0	$0	$1,312	$1,830
Susanne Caillou	0.58	$1,277	$10	$0	$0	$0	$1,287	$1,846
Robin Guild	0.92	$3,286	$26	$0	$0	$0	$3,312	$3,738
Eva Yellowknee	0.5	$868	$7	$0	$0	$0	$875	$1,657

School Jurisdiction Code: 1280

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTEs	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Jesse Lamouche	0.67	$1,922	$16	$0	$0	$0	$1,938	$1,964
Herb Lohr	0.17	$372	$3	$0	$0	$0	$375	$1,309
Victor Prinz	0.67	$1,488	$12	$0	$0	$0	$1,500	$557
Shayne Taron	0.33	$868	$7	$0	$0	$0	$875	$2,639
Shirley Calliou	0.08	$248	$2	$0	$0	$0	$250	$1,211
Brenda Anderson	0.17	$248	$2	$0	$0	$0	$250	$911
	0	$0	$0	$0	$0	$0	$0	$0
Totals	23.00	$83,133	$1,505	$0	$0	$0	$84,638	$200,219

Notes: Please refer to completion information on page 15.

School Jurisdiction Code: 1280

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other includes termination benefits** ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code 8050

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Northwest Francophone Education Region No. 1

C.P. 1220, ST. ISIDORE, ALBERTA T0H 3B0
Mailing Address

(780) 624-8855 **(780) 624-8554**
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Northwest Francophone Education Region No. 1 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

CHANTAL MONFETTE	"Original Signed"
Name	Signature

SUPERINTENDENT

DENISE BOURASSA	"Original Signed"
Name	Signature

SECRETARY TREASURER OR TREASURER

ANITA BELZILE	"Original Signed"
Name	Signature

Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 8050

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SYLVAIN & DORAN
Certified General Accountants

Michel A. Sylvain, C.G.A.*
Jean R. Sylvain, C.G.A.*
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AUDITORS' REPORT

To the Board of Trustees,
REGIONAL AUTHORITY OF THE NORTHWEST
FRANCOPHONE EDUCATION REGION NO. 1

We have audited the statement of financial position of the REGIONAL AUTHORITY OF THE NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2002 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Falher, Alberta
November 13, 2003

Sylvain & Doran
CERTIFIED GENERAL ACCOUNTANTS

*DENOTES CERTIFIED GENERAL ACCOUNTANT WHOSE PROFESSIONAL CORPORATION IS A MEMBER OF THE PARTNERSHIP

School Jurisdiction Code: 8050

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$369,388	$1,929,004
Accounts receivable (net after allowances)		$366,513	$136,455
Prepaid expenses		$50,966	$34,944
Other current assets		$28,281	$38,019
Total current assets		$815,148	$2,138,422
School generated assets		$58,643	$52,580
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Capital assets			
Land		$75,000	$75,000
Buildings	$5,398,419		
Less: accumulated amortization	($848,168)	$4,550,251	$4,039,290
Equipment	$100,433		
Less: accumulated amortization	($60,200)	$40,233	$24,845
Vehicles	$345,907		
Less: accumulated amortization	($260,446)	$85,461	$144,263
Total capital assets		$4,750,945	$4,283,398
TOTAL ASSETS		$5,624,736	$6,474,400
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$141,408	$278,831
Deferred revenue		$77,198	$289,599
Deferred capital allocations		$0	$437,704
Current portion of all long term debt		$0	$0
Total current liabilities		$218,606	$1,006,134
School generated liabilities		$58,643	$52,580
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$4,261,294	$3,928,836
Total long term liabilities		$4,319,937	$3,981,416
TOTAL LIABILITIES		$4,538,543	$4,987,550
NET ASSETS			
Unrestricted net assets		$110,396	$278,109
Operating Reserves		$150,333	$337,715
Accumulated Operating Surplus (Deficit)		$260,729	$615,824
Investment in capital assets		$489,651	$354,562
Capital Reserves		$335,813	$516,464
Total Capital Funds		$825,464	$871,026
Total net assets		$1,086,193	$1,486,850
TOTAL LIABILITIES AND NET ASSETS		$5,624,736	$6,474,400

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 8050

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002 Restated
REVENUES			
Alberta Learning	$2,751,244	$2,619,877	$2,932,268
Alberta Infrastructure	$795,109	$342,738	$138,130
Alberta Finance	$0	$0	$40,120
Other Government of Alberta	$0	$0	$0
Federal Government and/or First Nations	$50,054	$34,323	$60,693
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$12,682	$11,000	$11,540
Transportation fees	$0	$0	$0
Other sales and services	$16,464	$17,798	$27,909
Investment income	$18,860	$40,000	$42,490
Gifts and donations	$500	$0	$4,000
Rentals of facilities	$300	$0	$80
Net school generated funds	$6,368	$30,000	$6,920
Gains on disposal of capital assets	$1,383	$0	$0
Amortization of capital allocations	$149,671	$154,403	$440,248
Total Revenues	$3,802,635	$3,250,139	$3,704,398
EXPENSES			
Certificated salaries	$1,713,379	$1,702,071	$1,416,425
Certificated benefits	$191,818	$211,875	$168,197
Uncertificated salaries and wages	$456,730	$417,040	$401,705
Uncertificated benefits	$70,932	$49,699	$55,962
Services, contracts and supplies	$1,565,840	$1,171,289	$1,093,770
Net school generated funds	$6,368	$30,000	$6,920
Capital and debt services			
Amortization of capital assets			
Supported	$149,671	$154,403	$164,615
Unsupported	$42,321	$96,864	$47,728
Total Amortization of capital assets	$191,992	$251,267	$212,343
Interest on capital debt			
Supported	$0	$0	$40,120
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$40,120
Other interest charges	$2,278	$0	$709
Losses on disposal of capital assets	$3,955	$0	$276,209
Total Expenses	$4,203,292	$3,833,241	$3,672,360
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($400,657)	($583,102)	$32,038
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($400,657)	($583,102)	$32,038

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 8050

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($400,657)	$32,038
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($149,671)	($440,248)
Total amortization expense	$191,992	$212,343
Gains on disposal of capital assets	($1,383)	$0
Losses on sale of capital assets	$3,955	$276,209
Changes in accrued accounts:		
Accounts receivable	($230,058)	$40,023
Prepaids and other current assets	($6,284)	($12,490)
Payables and accrued liabilities	($137,423)	$185,832
Deferred revenue	($212,401)	$29,262
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($941,930)	$322,969
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($656,847)	($543,417)
Equipment	($33,619)	($7,051)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$28,355	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($662,111)	($550,468)
C. FINANCING ACTIVITIES		
Capital allocations received	$44,425	$261,621
Issue of long term debt	$0	$0
Repayment of long term debt	$0	($212,000)
Add back: supported portion	$0	$212,000
Other (describe)		$0
Total sources (uses) from Financing activities	$44,425	$261,621
Net sources (uses) of cash equivalents* during year	($1,559,616)	$34,122
Cash Equivalents at the beginning of the year	$1,929,004	$1,894,882
Cash Equivalents at the end of the year	$369,388	$1,929,004

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.
Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 8050

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS Columns 5 to 15	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$1,486,850	$354,562	$278,109	$854,179	$318,904	$139,468	$0	$0	$158,952	$0	$0	$0	$218,044	$18,811	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$1,486,850	$354,562	$278,109	$854,179	$318,904	$139,468	$0	$0	$158,952	$0	$0	$0	$218,044	$18,811	$0
Surplus(def) of revenue over expenses	($400,657)		($400,657)												
Block BORP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$208,338	($21,117)	($187,221)	$0	($28,269)	$0		($158,952)	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($191,992)	$191,992												
Amortization of capital allocations		$149,671	($149,671)												
Disposal of unsupported capital assets	$0	($30,928)	$30,928	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers from operating reserves			$187,382	($187,382)	($187,382)		$0			$0		$0		$0	
Net transfers to capital reserves			($6,570)	$6,570		$6,570			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0							$0		$0		$0
Balance at August 31, 2003	$1,086,193	$489,651	$110,396	$486,146	$131,522	$117,769	$0	$0	$0	$0	$0	$0	$218,044	$18,811	$0

School Jurisdiction Code: 8050

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)

for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$437,704	$3,928,836
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$437,704	$3,928,836
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$43,391	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$1,034	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		($482,129)	$482,129
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$149,671
Balance at August 31, 2003		$0	$4,261,294

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Auditors' Notes to the Financial Statements
For the Year Ended August 31, 2003

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (CGAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b) Capital Assets

Capital assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings - masonry and cement	2.5%
- wood frame or renovations	4%
Building site improvements	5%
Vehicles & buses	10%
Equipment	20%

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - con't

c) *School Generated Funds*

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Regional Authority of the Northwest Francophone Education Region No. 1. does not make pension contributions for certificated staff.

f) Inventories

Inventories are recorded at the lesser of cost and net realizable value.

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 44 of the *School Act* and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

3. ACCOUNTS RECEIVABLES

	2003 $	2002 $
Province of Alberta	304,121	1,696
Federal Government	32,478	80,997
Alberta Municipalities	--	--
Other Alberta School Jurisdictions	--	--
Other	29,914	53,762
Total	366,513	136,455

4. CAPITAL ASSETS AND ACCUMULATED AMORTIZATION

	CAPITAL ASSETS			
	Cost	Current Year		Cost
	Sept. 1/02	Additions	Disposals	Aug. 31/03
	$	$	$	$
Land	75,000	--	--	75,000
Buildings	4,741,572	656,847	--	5,398,419
Equipment	101,984	33,619	35,170	100,433
Vehicles	384,430	--	38,523	345,907
	5,302,986	690,466	73,693	5,919,759

	ACCUMULATED AMORTIZATION			
	Balance	Current Year		Balance
	Sept. 1/02	Additions	Deductions	Aug. 31/03
	$	$	$	$
Buildings	702,282	145,886	--	848,168
Equipment	77,139	14,264	31,203	60,200
Vehicles	240,167	31,842	11,563	260,446
	1,019,588	191,992	42,766	1,168,814
Net book value	4,283,398			4,750,945

5. BANK INDEBTEDNESS

The jurisdiction has an overdraft protection agreement in the amount of $140,000 that bears interest at the bank prime rate + 1.0%. This overdraft agreement is secured by funds held in savings account. There was no balance outstanding on the overdraft agreement at August 31, 2003.

6. ACCOUNTS PAYABLE AND LIABILITIES

	2003 $	2002 $
Province of Alberta	48,889	3,793
Federal Government	--	--
Alberta Municipalities	--	--
Other Alberta School Jurisdictions	1,986	--
Other Trade Payables and Accrued Liabilities	90,533	275,038
	141,408	278,831

7. DEFERRED REVENUE

	2003 $	2002 $
Overpayment 2001-2002 O&M Support	--	21,877
2002-2003 One Time Equivalent to 3% increase in grants	--	18,175
One Time Operations & Maintenance support	51,110	--
Block modernisations	--	165,888
Block BQRP funding	23,580	74,019
Other	2,508	9,640
Total	77,198	289,599

8. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

10. INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the board.

	Balance Sept. 1/02	Appropriated	Utilized	Balance Aug. 31/03
	$	$	$	$
Operating				
School - instruction	318,904	3,491	190,873	131,522
School - operating and maintenance	--	--	--	--
System administration	--	--	--	--
Transportation	--	--	--	--
External services	18,811	--	--	18,811
	337,715	3,491	190,873	150,333
Capital				
Land	--	--	--	--
Buildings	158,952	--	158,952	--
Equipment	139,468	6,570	28,269	117,769
Vehicles	218,044	--	--	218,044
	516,464	6,570	187,221	335,813
	854,179	10,061	378,094	486,146

11. COMMITMENTS

a) Building Project
The jurisdiction is committed to further capital expenditures for the addition, modernization and purchase of equipment at École Heritage of approximately $ 45,000. It is anticipated that these costs will be funded by CTS equipment allocations from Alberta Infrastructure, and unrestricted net assets.

b) An operating lease agreement for a photocopier was signed in July 2001. The quarterly lease payments of $407.07 plus G.S.T. total $5,226.72 over a three year period (last payment due May 1, 2004).

c) An operating lease agreement for office space was signed in August 2002. The annual lease payments of $16,000 total $48,000 over a three year period (lease in effect to August 31, 2005).

12. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Regional Authority of the Northwest Francophone Education Region No.1 primary source of income is from the Alberta Government. The Regional Authority's ability to continue viable operations is dependent on this funding.

13. BUDGET AMOUNTS

The budget was prepared by the School jurisdiction management with Board of Trustees approval on June 20, 2002. It is presented for information purposes only and has not been audited.

14. COMPARATIVE FIGURES

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

15. PRIOR PERIOD ADJUSTMENTS

The August 31, 2002 revenue & expenses statement has been restated to correct prior year breakdown of supported and unsupported amortization of capital assets.

	Per original Fin'l Stmt	As Restated	Net Change
	$	$	$
Amortization of capital assets			
Supported	198,917	164,615	- 34,302
Unsupported	13,426	47,728	+ 34,302
Total amortization of capital assets	212,343	212,343	--

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 8050

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$1,792,983	$84,203	$1,708,780						
(2) Support block	$831,547				$501,547			$330,000	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$31,407	$31,407							
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$85,000	$5,661	$79,339					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$10,307	$0	$7,800	$2,507	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$2,751,244	$121,271	$1,795,919	$2,507	$501,547			$330,000	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$436,647	$0	$0	$436,647					
(13) Operations & Maintenance support	$334,070			$334,070					
(14) Operations & Maintenance support (One-Time)	$24,392			$24,392					
(15) **Total Alberta Infrastructure Revenue**	$795,109	$0	$0	$795,109					
(16) **Alberta Finance**	$0			$0	$0			$0	$0
(17) **Other - Government of Alberta**	$0	$0	$0	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$50,054	$924	$49,130	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$12,682	$0	$12,682						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$16,464	$0	$245	$1,101	$14,662			$456	$0
(25) **Investment income**	$18,860	$1,131	$17,729	$0	$0			$0	$0
(26) **Gifts and donations**	$500	$0	$500	$0	$0				$0
(27) **Rentals of facilities**	$300		$300	$0	$0			$0	$0
(28) **Net school generated funds**	$6,368		$6,368					$0	
(29) **Gains on disposal of capital assets**	$1,383		$1,383	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$149,671		$0	$146,724	$2,947				$0
(31) **TOTAL REVENUES**	$3,802,635	$123,326	$1,884,256	$945,441	$519,156			$330,456	$0
EXPENSES									
(32) **Certificated salaries**	$1,713,379	$127,618	$1,472,642				$113,119	$113,119	$0
(33) **Certificated benefits**	$191,818	$16,668	$164,980				$10,170	$10,170	$0
(34) **Uncertificated salaries and wages**	$456,730	$31,031	$288,759	$16,730	$25,387	$17,530	$77,293	$94,823	$0
(35) **Uncertificated benefits**	$70,932	$3,177	$42,943	$2,976	$6,227	$2,053	$13,556	$15,609	$0
(36) **SUB - TOTAL**	$2,432,859	$178,494	$1,969,324	$19,706	$31,614	$19,583	$214,138	$233,721	$0
(37) **Services, contracts & supplies**	$1,565,840	$2,880	$302,601	$772,155	$391,933	$29,002	$67,269	$96,271	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$6,368		$6,368						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$149,671	$0	$0	$146,724	$2,947		$0	$0	$0
(41) Unsupported	$42,321	$0	$6,570	$6,856	$28,895	$0	$0	$0	$0
(42) Total Amortization	$191,992	$0	$6,570	$153,580	$31,842	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$2,278	$0	$0	$0	$2,278		$0	$0	$0
(46) Losses on disposal of capital assets	$3,955	$0	$0	$0	$3,955	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$4,203,292	$181,374	$2,284,863	$945,441	$461,622	$48,585	$281,407	$329,992	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($400,657)	($58,048)	($400,607)	$0	$57,534			$464	$0
Applicable student numbers/FTE equivalent	273.0	32	241.0	273.0	227			273.0	
AVERAGE PROGRAM COSTS per student	$15,397	$5,668	$9,481	$3,463	$2,034			$1,209	

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$1,125,655	$172,911	$61,895	$78,153	$34,028	$0	$0	$1,472,642
Certificated benefits	$128,592	$17,221	$6,542	$8,866	$3,759	$0	$0	$164,980
Uncertificated salaries and wages	$122,929	$99,434	$35,237	$7,255	$23,904	$0	$0	$288,759
Uncertificated benefits	$16,751	$17,354	$5,265	$1,136	$2,437	$0	$0	$42,943
SUB - TOTAL REMUNERATION	$1,393,927	$306,920	$108,939	$95,410	$64,128	$0	$0	$1,969,324
Services, contracts & supplies	$167,631	$67,864	$34,637	$12,053	$20,416	$0	$0	$302,601
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$6,368							$6,368
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$6,570	$0	$0					$6,570
Total Amortization	$6,570	$0	$0					$6,570
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$1,574,496	$374,784	$143,576	$107,463	$84,544	$0	$0	$2,284,863
FTE Certificated				1 4	0 8			
FTE Uncertificated				0 4	1 1			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$1,087,178	$87,139	$75,250	$0	$1,249,567	$1,524,318	($274,751)
School Admin & Instruction Support Expenses						$374,784	($374,784)
System Instruction Support Expenses						$143,576	($143,576)
Total Basic Instruction	$1,087,178	$87,139	$75,250	$0	$1,249,567	$2,042,678	($793,111)
Sub-Programs & Initiatives							
Severely Disabled	$82,982		$0		$82,982	$84,544	($1,562)
English as a Second Language	$45,450				$45,450	$48,189	($2,739)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$414,218				$414,218		$414,218
Growth & Density	$2,032				$2,032		$2,032
Teacher Assistants Program	$6,628				$6,628	$8,878	($2,250)
Early Literacy Initiative (K-2)	$17,340				$17,340	$17,824	($484)
Learning Resources Credit & Resources for the Classroom	$2,409	$0	$12,682		$15,091	$28,169	($13,078)
Technology Integration	$10,406		$0		$10,406	$16,040	($5,634)
French Language Program & Francisation (all jurisdictions)	$35,378		$0		$35,378	$36,441	($1,063)
Home Education	$4,759		$405		$5,164	$2,100	$3,064
Total Sub-Programs & Initiatives	$621,602		$13,087		$634,689	$242,185	$392,504
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$1,708,780	$87,139	$88,337	$0	$1,884,256	$2,284,863	($400,607)

School Jurisdiction Code: 8050

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$84,203	$1,708,780		$501,547	$330,000	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Not	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of ***$1,792,983*** = ***$35,860*** ***$0***						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 8050

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$1,782,577
Support Block - Transportation	$501,547
SUBTOTAL	$2,284,124
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$334,070
Teacher Salary Enhancement	$85,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$0
Federal government/First Nations	$50,054
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$16,464
Interest on investments	$18,860
Rentals of facilities	$300
Gains on disposal of capital assets	$1,383
Amortization of capital allocations	$149,671
School generated funds (Schedule E)	$155,236
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$3,095,162**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**0.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$0
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	330,000	$330,000
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$330,000**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$329,992
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$329,992
Maximum Expense Limit for Board & System Administration (Step 3)	$330,000
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$8

School Jurisdiction Code: 8050

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1)		$52,580
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$155,236	
Less: SGF - related cost recoveries (Note 3)	$142,805	
- capitalized at the District level (Note 4)	$0	
Net Total	$12,431	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$12,431
Net SGF Available for discretionary spending		$65,011
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$6,368
Unexpended SGF - Closing Balance August 31, 2003		$58,643

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 8050

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$16,730	$16,730		$16,730
Uncertificated benefits	$0	$0	$0	$0	$2,976	$2,976		$2,976
Sub-total Remuneration	$0	$0	$0	$0	$19,706	$19,706		$19,706
Contracted Services	$89,337	$95,042	$0	$439,485	$10,795	$634,659		$634,659
Supplies	$10,970	$0	$0	$0	$0	$10,970		$10,970
Electricity			$64,298			$64,298		$64,298
Natural Gas/Heating Fuel			$45,287			$45,287		$45,287
Sewer and Water			$7,838			$7,838		$7,838
Telecommunications			$0			$0		$0
Insurance					$9,103	$9,103		$9,103
Amortization of capital assets								
Supported							$146,724	$146,724
Unsupported						$6,856		$6,856
Total Amortization						$6,856	$146,724	$153,580
Interest on capital debt								
Supported							$0	$0
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$100,307	$95,042	$117,423	$439,485	$39,604	$798,717	$146,724	$945,441
SQUARE METRES								
School Buildings								6,043.5
Non School Buildings								0.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 8050

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name Chantal Monfette	1.0	$5,690	$38	$0	$0	$0	$5,728	$1,817
Name	0.0	$0	$38	$0	$0	$0	$38	$0
Other Board Members:								
Name Claire Anctil	1.0	$3,660	$1,901	$0	$0	$0	$5,561	$1,784
Name Wanda Laurin	1.0	$2,080	$38	$0	$0	$0	$2,118	$161
Name Guy Normandeau	1.0	$2,790	$38	$0	$0	$0	$2,828	$1,817
Name Mano Paradis	1.0	$3,310	$38	$0	$0	$0	$3,348	$1,277
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal	*5.0*	*$17,530*	*$2,091*	*$0*	*$0*	*$0*	*$19,621*	*$6,856*
Superintendent	1.0	$107,987	$9,616	$0	$0	$0	$117,603	$14,578
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	0.9	$50,163	$8,712	$0	$0	$0	$58,875	$1,916
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	26.8	$1,605,392	$182,202	$0	$0	$0	$1,787,594	
Uncertificated Salaries & Wages	14.4	$389,037	$60,129	$0	$0	$0	$449,166	
TOTALS		$2,170,109	$262,750	$0	$0	$0	$2,432,859	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 8050

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 2255

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Palliser Regional Division #26
Name of School Jurisdiction

#101, 3305 - 18 Avenue North Lethbridge, Alberta, T1H 5S1
Mailing Address

Telephone: (403) 328-4111 Fax: (403) 380-6890
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Palliser Regional Division #26
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Marlene McCann	"Original signed by"
Name	**Signature**

SUPERINTENDENT

John L. Bolton	"Original signed by"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Laurie J. Marston	"Original signed by"
Name	**Signature**

25-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
9th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 2255

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Young Parkyn McNab LLP
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Board of Trustees of the
Palliser Regional Division No. 26

We have audited the statement of financial position of the Palliser Regional Division No. 26 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Young Parkyn McNab LLP

Lethbridge, Alberta

October 27, 2003

Chartered Accountants

School Jurisdiction Code: 2255

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002 Restated
ASSETS			
Current assets			
Cash and temporary investments		$2,176,313	$3,298,923
Accounts receivable (net after allowances)		$1,715,543	$2,094,376
Prepaid expenses		$96,405	$515,229
Other current assets		$46,164	$22,680
Total current assets		$4,034,424	$5,931,208
School generated assets		$525,698	$388,480
Trust assets		$169,835	$171,752
Long term accounts receivable		$0	$0
Capital assets			
Land		$340,000	$340,000
Buildings	$37,099,814		
Less: accumulated amortization	($16,770,786)	$20,329,028	$19,907,085
Equipment	$2,480,056		
Less: accumulated amortization	($749,520)	$1,730,536	$2,125,221
Vehicles	$6,043,210		
Less: accumulated amortization	($3,177,330)	$2,865,880	$2,860,968
Total capital assets		$25,265,444	$25,233,274
TOTAL ASSETS		$29,995,401	$31,724,714
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,783,136	$1,702,974
Deferred revenue		$272,757	$457,967
Deferred capital allocations		$347,500	$1,253,108
Current portion of all long term debt		$591,396	$581,980
Total current liabilities		$2,994,789	$3,996,029
School generated liabilities		$525,698	$388,480
Trust liabilities		$169,835	$171,752
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$5,185,842	$5,640,754
Less: Current portion of supported debt		($454,912)	($454,912)
Unsupported: Debentures and Capital Loans		$454,341	$581,248
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($136,485)	($127,068)
Unamortized capital allocations		$13,924,311	$13,325,250
Total long term liabilities		$19,668,631	$19,525,504
TOTAL LIABILITIES		$22,663,420	$23,521,533
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$1,169,179	$2,194,231
Accumulated Operating Surplus (Deficit)		$1,169,179	$2,194,231
Investment in capital assets		$5,700,948	$5,686,022
Capital Reserves		$461,853	$322,928
Total Capital Funds		$6,162,801	$6,008,950
Total net assets		$7,331,981	$8,203,181
TOTAL LIABILITIES AND NET ASSETS		$29,995,401	$31,724,714

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2255

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$26,129,679	$25,100,458	$25,322,471
Alberta Infrastructure	$3,029,011	$2,855,330	$1,601,827
Alberta Finance	$529,741	$552,341	$600,127
Other Government of Alberta	$65,214	$15,400	$85,271
Federal Government and/or First Nations	$573,438	$580,752	$514,356
Other Alberta school authorities	$10,830	$0	$7,566
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$9,000	$9,000	$18,000
Instruction resource fees	$247,316	$415,074	$213,649
Transportation fees	$27,015	$63,000	$16,450
Other sales and services	$327,618	$214,700	$410,106
Investment income	$159,077	$198,035	$209,913
Gifts and donations	$6,204	$25,140	$17,322
Rentals of facilities	$353,516	$370,440	$352,732
Net school generated funds	$286,601	$139,272	$186,080
Gains on disposal of capital assets	$30,153	$18,000	$29,800
Amortization of capital allocations	$1,181,547	$866,311	$598,327
Total Revenues	$32,965,960	$31,423,253	$30,183,997
EXPENSES			
Certificated salaries	$14,765,008	$14,441,920	$14,380,548
Certificated benefits	$1,803,904	$1,949,933	$1,712,083
Uncertificated salaries and wages	$7,063,647	$6,783,125	$6,656,399
Uncertificated benefits	$1,036,492	$1,281,899	$944,218
Services, contracts and supplies	$6,495,869	$4,939,927	$5,344,023
Net school generated funds	$286,601	$139,272	$186,080
Capital and debt services			
Amortization of capital assets			
Supported	$1,181,547	$866,311	$598,327
Unsupported	$636,636	$609,791	$686,450
Total Amortization of capital assets	$1,818,183	$1,476,102	$1,284,777
Interest on capital debt			
Supported	$529,741	$552,341	$600,127
Unsupported	$37,714	$37,554	$53,641
Total Interest on capital debt	$567,455	$589,895	$653,768
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$33,837,161	$31,602,073	$31,161,896
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($871,200)	($178,820)	($977,899)
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$7,817
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($871,200)	($178,820)	($970,082)

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2255

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002 Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($871,200)	($970,082)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,181,547)	($598,327)
Total amortization expense	$1,818,183	$1,284,777
Gains on disposal of capital assets	($30,153)	($29,800)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$378,833	($1,168,753)
Prepaids and other current assets	$395,341	($431,318)
Payables and accrued liabilities	$80,162	$339,273
Deferred revenue	($185,210)	($888,366)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$404,409	($2,462,596)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($1,325,697)	($7,389,537)
Equipment	($57,315)	($427,635)
Vehicles	($467,341)	($457,179)
Net proceeds from disposal of capital assets	$30,153	$29,800
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($1,820,200)	($8,244,551)
C. FINANCING ACTIVITIES		
Capital allocations received	$420,088	$4,134,924
Issue of long term debt	$0	$0
Repayment of long term debt	($581,819)	($945,071)
Add back: supported portion	$454,912	$485,296
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$293,181	$3,675,149
Net sources (uses) of cash equivalents* during year	($1,122,610)	($7,031,998)
Cash Equivalents at the beginning of the year	$3,298,923	$10,330,921
Cash Equivalents at the end of the year	$2,176,313	$3,298,923

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.
Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 2255

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS Columns 5 to 15	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$8,203,181	$5,686,022	$0	$2,517,159	$2,366,078	$70,000	($235,773)	$451	$88,366	$22,034	$113,214	$41,892	$50,897	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$8,203,181	$5,686,022	$0	$2,517,159	$2,366,078	$70,000	($235,773)	$451	$88,366	$22,034	$113,214	$41,892	$50,897	$0	$0
Surplus(def) of revenue over expenses	($871,200)		($871,200)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$524,656	$0	($524,656)	$0	($57,315)	$0		$0	$0	$0	$0	($467,341)	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,818,183)	$1,818,183												
Amortization of capital allocations		$1,181,547	($1,181,547)												
Disposal of unsupported capital assets	$0	$0	($30,153)	$30,153		$0			$0		$0		$30,153		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$126,907	($126,907)												
Net transfers to operating reserves			($25,231)	$25,231	$0		$0			$25,231		$0		$0	
Net transfers from operating reserves			$1,050,283	($1,050,283)	($1,044,868)		$79,526			$0		($84,941)		$0	
Net transfers to capital reserves			($633,428)	$633,428		$147,265			$62,491		$0		$423,672		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$7,331,981	$5,700,948	$0	$1,631,032	$1,321,210	$159,950	($156,247)	$451	$150,857	$47,265	$113,214	($43,049)	$37,381	$0	$0

School Jurisdiction Code: 2255

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003
(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002 , as restated		$1,253,108	$13,325,250
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$1,253,108	$13,325,250
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$418,312	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$1,776	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$454,912
Expended capital allocations - current year		($1,325,696)	$1,325,696
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,181,547
Balance at August 31, 2003		$347,500	$13,924,311

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

PALLISER REGIONAL DIVISION NO. 26
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
AUGUST 31, 2003

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1 AUTHORITY AND PURPOSE

The school jurisdiction delivers education programs under the authority of the *School Act*, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

a) **Revenue Recognition** – Revenue is recognized as follows:

- Instruction and support allocations are recognized in the year in which they relate.
- Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.
- Unrestricted contributions are recognized as revenue when received or receivable. Contributions in kind are recorded at fair market value when reasonably determinable.
- Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b) **Capital Assets** – Capital assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates.

Buildings	2.5 – 4%
Vehicles & Buses	10-20%
Equipment & Furnishings	10-20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) **School-Generated Funds** – These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g., yearbook sales, graduation fees, field trip fees, etc.)

d) **Vacation Pay** – Vacation pay is accrued in the period in which the employee earns the benefit.

e) **Pensions** – Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Palliser School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan – the Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $ 158,167 for the year ended August 31, 2003. At December 31, 2002 the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2001 surplus of $634,960,000).

f) **Inventories** – Inventories are recorded at the lesser of cost or net realizable value.

g) **Prepaid Expenses** – Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) **Contributed Services** – Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school-generated funds. Because of the difficulty of compiling these hours, and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) **Financial Instruments** – The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

j) **Operating and Capital Reserves** – Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k) **Employee Future Benefits** – The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2003, the recorded obligation is $ 257,126 (2002 $ 622,020).

3. ACCOUNTS RECEIVABLE

	2003	2002
Province of Alberta	$ 1,400,791	$1,474,753
Federal Government	100,879	212,300
Other	213,873	407,323
	$1,715,543	$2,094,376

4. TRUST ASSETS AND LIABILITIES

	2003	2002
Scholarship Trusts	$169,835	$171,752

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2003	2002
Province of Alberta	$ 258,483	$ 281,083
Federal Government	1,493	2,443
Other Trade Payables & Accrued Liabilities	1,523,160	1,419,448
	$ 1,783,136	$1,702,974

6. DEFERRED REVENUE

	2003	2002
One Time Grant Funding	$ -	$101,660
Alberta Initiative for School Improvement	61,240	-
Block BQRP and Modernization Funding	192,412	345,124
Other	19,105	11,183
	$ 272,757	$457,967

7. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized These allocations are amortized on a basis consistent with the capital asset that the allocation funded

8. LONG-TERM DEBT

a) **Debenture Debt – Supported –** The debenture debt bears interest at rates varying between 6.875% and 11.625%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows

Year	Principle	Interest	Total
2004	$ 454,911	$ 507,528	**$ 962,439**
2005	429,012	462,715	**891,727**
2006	417,989	419,862	**837.851**
2007	402,796	378,194	**780,990**
2008	395,281	338,043	**733,324**
Thereafter	3,085,853	1,447,790	**4,533,643**
Total	**$ 5,185.842**	**$ 3.554,132**	**$ 8,739,974**

b) **Long Term Debt – Unsupported** – Unsupported debt consists of a mortgage on the district's administrative building. This debt is not supported by Alberta Finance. The mortgage bears interest at 7.17% and is repayable in monthly blended payments of $13,718.48 Payments due over the next 3 years are as follows

Year	Principle	Interest	Total
2004	$ 136,485	$ 28,137	**$ 164,622**
2005	146,598	18,024	**164,622**
2006	171,258	7,242	**178,500**
Total	**$ 454,341**	**$ 53,403**	**$ 507.744**

c) **Capital Leases – Unsupported –** There are currently no capital leases held by the jurisdiction

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

10. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

11. COMPARATIVE FIGURES

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

The 2002 figures were restated to reallocate $757,914 of modernization funding from deferred revenue to deferred capital allocations.

12. COMMITMENTS

The jurisdiction is committed to further capital expenditures to build a new elementary school in Vulcan Alberta of approximately $ 4,500,000. It is anticipated that these costs will be fully funded by capital allocations from Alberta Infrastructure.

13. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Palliser School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent of this funding.

14. SUBSEQUENT EVENTS

Subsequent to year-end a lawsuit was filed against the jurisdiction for unspecified damages. It is management's opinion that any damages awarded would be covered by the jurisdiction's liability insurance.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 2255

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$21,045,110	$1,781,921	$19,263,189						
(2) Support block	$3,444,224				$2,169,401			$1,274,824	
(3) Instruction & support block reallocations	$0	$0	$150,000		($100,000)			($50,000)	$0
(4) Alberta Initiative for School Improvement (AISI)	$419,882	$15,948	$403,934						
(5) Student Health Initiative (SHI)	$197,076	$0	$197,076						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$915,000	$36,600	$867,809					$10,591	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$108,387	$0	$108,387	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$26,129,679	$1,834,469	$20,990,395	$0	$2,069,401			$1,235,415	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$319,356	$0	$0	$319,356					
(13) Operations & Maintenance support	$2,465,278			$2,465,278					
(14) Operations & Maintenance support (One-Time)	$244,377			$244,377					
(15) **Total Alberta Infrastructure Revenue**	$3,029,011	$0	$0	$3,029,011					
(16) **Alberta Finance**	$529,741			$529,741	$0			$0	$0
(17) **Other - Government of Alberta**	$65,214	$0	$60,414	$4,800	$0			$0	$0
(18) **Federal Government and/or First Nations**	$573,438	$0	$487,422	$57,344	$0			$28,672	$0
(19) **Other Alberta school authorities**	$10,830	$0	$5,601	$0	$5,229			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$9,000	$0	$0	$0	$9,000			$0	$0
(22) **Instruction resource fees**	$247,316	$0	$247,316						
(23) **Transportation fees**	$27,015				$27,015				
(24) **Other sales and services**	$327,618	$32,944	$172,468	$29,325	$70,223			$22,659	$0
(25) **Investment income**	$159,077	$0	$0	$14,876	$0			$144,201	$0
(26) **Gifts and donations**	$6,204	$0	$6,204	$0	$0				$0
(27) **Rentals of facilities**	$353,516		$6,841	$346,675	$0			$0	$0
(28) **Net school generated funds**	$286,601		$286,601					$0	
(29) **Gains on disposal of capital assets**	$30,153		$0	$0	$30,153			$0	$0
(30) **Amortization of capital allocations**	$1,181,547		$0	$1,181,547	$0				$0
(31) **TOTAL REVENUES**	$32,965,960	$1,867,413	$22,263,262	$5,193,318	$2,211,021			$1,430,946	$0
EXPENSES									
(32) **Certificated salaries**	$14,765,008	$436,719	$14,058,789				$269,500	$269,500	$0
(33) **Certificated benefits**	$1,803,904	$54,925	$1,726,673				$22,307	$22,307	$0
(34) **Uncertificated salaries and wages**	$7,063,647	$674,960	$3,654,968	$1,120,288	$1,076,563	$43,000	$493,868	$536,868	$0
(35) **Uncertificated benefits**	$1,036,492	$76,840	$501,883	$263,695	$109,460	$1,838	$82,775	$84,614	$0
(36) **SUB - TOTAL**	$24,669,052	$1,243,444	$19,942,313	$1,383,983	$1,186,023	$44,838	$868,451	$913,289	$0
(37) **Services, contracts & supplies**	$6,495,869	$367,277	$3,034,792	$1,915,107	$686,268	$93,433	$398,993	$492,426	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$286,601		$286,601						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,181,547	$0	$0	$1,181,547	$0		$0	$0	$0
(41) Unsupported	$636,636	$0	$147,265	$65,699	$423,672	$0	$0	$0	$0
(42) Total Amortization	$1,818,183	$0	$147,265	$1,247,246	$423,672	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$529,741	$0	$0	$529,741	$0		$0	$0	$0
(44) Unsupported	$37,714	$0	$0	$37,714	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$33,837,161	$1,610,721	$23,410,971	$5,113,791	$2,295,962	$138,271	$1,267,444	$1,405,715	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($871,200)	$256,692	($1,147,709)	$79,527	($84,941)			$25,231	$0
Applicable student numbers/FTE equivalent	3,695.0	294	3,548.0	3,680.3	1,952			3,695.0	
AVERAGE PROGRAM COSTS per student	$9,158	$5,479	$6,598	$1,390	$1,176			$380	

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$11,320,378	$1,355,673	$0	$652,860	$514,247	$215,424	$208	$14,058,789
Certificated benefits	$1,373,162	$178,547	$0	$90,461	$64,281	$20,222	$0	$1,726,673
Uncertificated salaries and wages	$1,227,717	$591,224	$0	$332,474	$1,323,114	$32,008	$148,431	$3,654,968
Uncertificated benefits	$93,674	$51,732	$0	$46,068	$280,208	$1,492	$28,709	$501,883
SUB - TOTAL REMUNERATION	$14,014,930	$2,177,176	$0	$1,121,862	$2,181,850	$269,146	$177,349	$19,942,313
Services, contracts & supplies	$2,706,455	$31,251	$0	$48,116	$103,654	$133,782	$11,533	$3,034,792
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$286,601							$286,601
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$147,265	$0	$0					$147,265
Total Amortization	$147,265	$0	$0					$147,265
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$17,155,252	$2,208,427	$0	$1,169,978	$2,285,504	$402,928	$188,882	$23,410,971
FTE Certificated				10.0	8.0			
FTE Uncertificated				22.5	80.0			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$15,885,537	$1,468,819	$1,025,551	$150,000	$18,529,907	$16,769,382	$1,760,526
School Admin & Instruction Support Expenses						$2,208,427	($2,208,427)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$15,885,537	$1,468,819	$1,025,551	$150,000	$18,529,907	$18,977,808	($447,901)
Sub-Programs & Initiatives							
Severely Disabled	$1,941,020		$0		$1,941,020	$2,285,504	($344,484)
English as a Second Language	$232,441				$232,441	$148,598	$83,843
Enhanced Opportunities	$21,000				$21,000	$0	$21,000
First Nations, Metis, and Inuit Education	$34,675		$0		$34,675	$30,165	$4,510
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$676,513				$676,513		$676,513
Growth & Density	$79,166				$79,166		$79,166
Teacher Assistants Program	$75,809				$75,809	$70,157	$5,652
Early Literacy Initiative (K-2)	$146,814				$146,814	$156,150	($9,336)
Learning Resources Credit & Resources for the Classroom	$0	$108,387	$247,316		$355,703	$172,077	$183,626
Technology Integration	$151,962		$0		$151,962	$1,531,034	($1,379,072)
French Language Program & Francisation (all jurisdictions)	$0		$0		$0	$0	$0
Home Education	$18,250		$0		$18,250	$39,477	($21,227)
Total Sub-Programs & Initiatives	$3,377,651		$247,316		$3,733,355	$4,433,162	($699,807)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$19,263,189	$1,577,206	$1,272,867	$150,000	$22,263,262	$23,410,971	($1,147,709)

School Jurisdiction Code: 2255

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,781,921	$19,263,189		$2,169,401	$1,274,824	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of | *$21,045,110* | *=* | *$420,902* | *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$100,000		($100,000)		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$50,000			($50,000)	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$150,000		($100,000)	($50,000)	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 2255

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$20,893,148
Support Block - Transportation	$2,169,401
SUBTOTAL	$23,062,548

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,465,278
Teacher Salary Enhancement	$915,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$65,214
Federal government/First Nations	$573,438
Other Alberta school authorities	$10,830
Out of province local authorities	$0
Alberta municipalities	$9,000
Other sales and services	$327,618
Interest on investments	$159,077
Rentals of facilities	$353,516
Gains on disposal of capital assets	$30,153
Amortization of capital allocations	$1,181,547
School generated funds (Schedule E)	$1,555,193
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$30,708,412**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%

If "Total Net Enrolled Students" are 2,000 and le = 6%

5.20%

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,595,486
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,595,486**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,405,715
PLUS: transfers to Restricted - Operating (Board/System Administration)	$25,231
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,430,946
Maximum Expense Limit for Board & System Administration (Step 3)	$1,595,486
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$164,540

School Jurisdiction Code: 2255

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$388,480
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,555,193	
Less: SGF - related cost recoveries (Note 3)	$1,131,374	
- capitalized at the District level (Note 4)	$0	
Net Total	$423,820	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$423,820
Net SGF Available for discretionary spending		$812,300
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$286,601
Unexpended SGF - Closing Balance August 31, 2003		$525,698

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 2255

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$706,751	$348,685	$0	$0	$64,852	$1,120,288		$1,120,288
Uncertificated benefits	$166,077	$81,936	$0	$0	$15,682	$263,695		$263,695
Sub-total Remuneration	$872,828	$430,622	$0	$0	$80,534	$1,383,983		$1,383,983
Contracted Services	$233,389	$327,660	$0	$320,682	$1,536	$883,268		$883,268
Supplies	$88,618	$52,062	$0	$0	$812	$141,492		$141,492
Electricity			$441,831			$441,831		$441,831
Natural Gas/Heating Fuel			$327,457			$327,457		$327,457
Sewer and Water			$38,621			$38,621		$38,621
Telecommunications			$8,785			$8,785		$8,785
Insurance					$73,654	$73,654		$73,654
Amortization of capital assets								
Supported							$1,181,547	$1,181,547
Unsupported						$65,699		$65,699
Total Amortization						$65,699	$1,181,547	$1,247,246
Interest on capital debt								
Supported							$529,741	$529,741
Unsupported						$37,714		$37,714
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,194,835	$810,344	$816,693	$320,682	$156,535	$3,402,504	$1,711,288	$5,113,791
SQUARE METRES								
School Buildings								58,590.8
Non School Buildings								4,926.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 2255

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mrs. Marlene MCCann	1.0	$6,733	$393	$3,367	$0	$0	$10,493	$2,810
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Mrs. Colleen Deitz	1.0	$6,083	$364	$3,042	$0	$0	$9,489	$6,590
Name	Mrs. Erna Dyck	1.0	$3,317	$209	$1,658	$0	$0	$5,184	$907
Name	Mr Robert Strauss	1.0	$3,650	$234	$1,825	$0	$0	$5,709	$3,328
Name	WR. Joseph Watson	1.0	$4,017	$239	$2,008	$0	$0	$6,264	$2,057
Name	Nr. Don Zech	1.0	$4,867	$281	$2,433	$0	$0	$7,581	$3,311
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*6.0*	*$28,667*	*$1,720*	*$14,333*	*$0*	*$0*	*$44,720*	*$19,003*
Superintendent	Mr. John Bolton	1.0	$113,133	$8,287	$0	$0	$0	$121,420	$16,144
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Mr. Laurie Marston	1.0	$101,118	$14,802	$0	$0	$0	$115,921	$11,005
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		214.0	$14,651,875	$1,795,617	$0	$0	$0	$16,447,492	
Uncertificated Salaries & Wages		199.8	$6,919,529	$1,019,970	$0	$0	$0	$7,939,499	
TOTALS			$21,814,323	$2,840,397	$14,333	$0	$0	$24,669,052	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 2255

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 2305

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Parkland School Division No. 70
Name of School Jurisdiction

4603 48 Street Stony Plain, AB T7Z 2A8
Mailing Address

Telephone: 780-963-4010 Fax: 780-963-4169
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Parkland School Division No. 70
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Grace Gruber	**"Original Signed By"**
Name	**Signature**

SUPERINTENDENT

Mary Lynne Campbell	**"Original Signed By"**
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Claire Jonsson	**"Original Signed By"**
Name	**Signature**

2-Dec-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 2305

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PRICEWATERHOUSECOOPERS

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November 21, 2003

Auditors' Report

To the Board of Trustees of
Parkland School Division No. 70

We have audited the statement of financial position of **Parkland School Division No. 70** as at August 31, 2003 and the statements of revenue and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school division as at August 31, 2003 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Accountants

PricewaterhouseCoopers refers to the Canadian firm of PricewaterhouseCoopers LLP and the other member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

School Jurisdiction Code: 2305

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002 Restated
ASSETS			
Current assets			
Cash and temporary investments		$9,072,169	$10,460,577
Accounts receivable (net after allowances)		$2,119,985	$1,726,341
Prepaid expenses		$73,293	$206,283
Other current assets		$0	
Total current assets		$11,265,447	$12,393,201
School generated assets		$443,186	$449,352
Trust assets		$518,541	$360,669
Long term accounts receivable		$0	$0
Capital assets			
Land		$4,205,583	$4,128,903
Buildings	$74,375,799		
Less: accumulated amortization	($33,179,752)	$41,196,047	$42,435,358
Equipment	$4,292,803		
Less: accumulated amortization	($3,452,165)	$840,638	$1,254,469
Vehicles	$574,746		
Less: accumulated amortization	($452,317)	$122,429	$173,367
Total capital assets		$46,364,697	$47,992,097
TOTAL ASSETS		$58,591,871	$61,195,319
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,119,114	$4,452,173
Deferred revenue		$1,240,079	$2,561,907
Deferred capital allocations		$11,205	$226,827
Current portion of all long term debt		$1,766,712	$1,906,619
Total current liabilities		$5,137,110	$9,147,526
School generated liabilities		$443,186	$449,352
Trust liabilities		$518,541	$360,669
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$9,665,260	$11,571,879
	Less: Current portion of supported debt	($1,766,712)	($1,906,619)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$32,243,345	$31,758,148
Total long term liabilities		$41,103,620	$42,233,429
TOTAL LIABILITIES		$46,240,730	$51,380,955
NET ASSETS			
Unrestricted net assets		$2,550,184	$1,926,100
Operating Reserves		$2,936,716	$1,739,679
Accumulated Operating Surplus (Deficit)		$5,486,900	$3,665,779
Investment in capital assets		$4,456,092	$4,662,070
Capital Reserves		$2,408,149	$1,486,515
Total Capital Funds		$6,864,241	$6,148,585
Total net assets		$12,351,141	$9,814,364
TOTAL LIABILITIES AND NET ASSETS		$58,591,871	$61,195,319

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2305

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$57,413,613	$56,827,357	$57,499,688
Alberta Infrastructure	$6,410,824	$6,201,888	$3,010,228
Alberta Finance	$1,160,310	$1,276,512	$1,379,246
Other Government of Alberta	$129,784	$0	$172,233
Federal Government and/or First Nations	$1,453,765	$1,423,262	$1,491,908
Other Alberta school authorities	$68,876	$58,800	$37,338
Out of province authorities	$0	$7,500	$0
Alberta Municipalities (excluding supplementary requisitions)	$32,704	$41,700	$29,058
Instruction resource fees	$633,420	$610,000	$574,639
Transportation fees	$110,863	$110,800	$108,846
Other sales and services	$511,008	$99,000	$826,795
Investment income	$291,826	$0	$245,387
Gifts and donations	$0	$0	$0
Rentals of facilities	$2,800	$11,000	$7,307
Net school generated funds	$619,163	$428,536	$565,564
Gains on disposal of capital assets	$991	$0	$6,204
Amortization of capital allocations	$2,587,827	$2,260,784	$2,223,226
Total Revenues	$71,427,774	$69,357,139	$68,177,667
EXPENSES			
Certificated salaries	$32,481,064	$33,054,602	$31,353,658
Certificated benefits	$3,707,574	$3,803,356	$3,638,988
Uncertificated salaries and wages	$10,420,120	$10,104,096	$10,513,696
Uncertificated benefits	$2,431,032	$2,184,604	$2,273,056
Services, contracts and supplies	$15,152,455	$17,790,028	$15,485,965
Net school generated funds	$619,163	$428,536	$565,564
Capital and debt services			
Amortization of capital assets			
Supported	$2,587,827	$2,260,784	$2,223,226
Unsupported	$406,452	$147,079	$561,470
Total Amortization of capital assets	$2,994,279	$2,407,863	$2,784,696
Interest on capital debt			
Supported	$1,160,310	$1,276,512	$1,379,246
Unsupported	$0	$0	$0
Total Interest on capital debt	$1,160,310	$1,276,512	$1,379,246
Other interest charges	$0	$0	$12,167
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$68,965,997	$71,049,597	$68,007,036
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$2,461,777	($1,692,458)	$170,631
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$2,461,777	($1,692,458)	$170,631

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2305

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$2,461,777	$170,631
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,587,827)	($2,223,226)
Total amortization expense	$2,994,279	$2,784,696
Gains on disposal of capital assets	($991)	($6,204)
Losses on sale of capital assets	$0	$12,167
Changes in accrued accounts:		
Accounts receivable	($393,644)	$179,483
Prepaids and other current assets	$132,990	($170,055)
Payables and accrued liabilities	($2,333,059)	$1,170,609
Deferred revenue	($1,321,828)	$383,947
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,048,303)	$2,302,048
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($1,680)	$0
Buildings	($511,413)	($1,738,708)
Equipment	($108,787)	($411,004)
Vehicles	$0	($70,707)
Net proceeds from disposal of capital assets	$992	$11,821
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($620,888)	($2,208,598)
C. FINANCING ACTIVITIES		
Capital allocations received	$280,783	$889,059
Issue of long term debt	$0	$0
Repayment of long term debt	($1,906,619)	($2,062,570)
Add back: supported portion	$1,906,619	$2,062,570
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$280,783	$889,059
Net sources (uses) of cash equivalents* during year	($1,388,408)	$982,509
Cash Equivalents at the beginning of the year	$10,460,577	$9,478,068
Cash Equivalents at the end of the year	$9,072,169	$10,460,577

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2305

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
	NET ASSETS	IN CAPITAL	NET	NET ASSETS	School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	(Columns 2+3+4)	ASSETS	ASSETS	(Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$9,818,194	$4,662,070	$1,926,100	$3,230,024	$1,109,383	$1,101,986	$0	$3,830	$46,356	$169,236	$289,892	$461,060	$48,281	$0	$0
Prior period adjustments (describe)															
Supported capital reserves to deferred	($3,830)	$0	$0	($3,830)	$0	$0	$0	($3,830)	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$9,814,364	$4,662,070	$1,926,100	$3,226,194	$1,109,383	$1,101,986	$0	$0	$46,356	$169,236	$289,892	$461,060	$48,281	$0	$0
Surplus(def) of revenue over expenses	$2,461,777		$2,461,777												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$125,474	($16,688)	($108,786)	$0	($108,786)	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$75,000	$75,000													
Amortization of capital assets		($2,994,279)	$2,994,279												
Amortization of capital allocations		$2,587,827	($2,587,827)												
Disposal of unsupported capital assets				$0		$0			$0		$0		$0		$0
Disposal of supported capital assets						$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($1,863,767)	$1,863,767	$1,277,613		$357,373			$228,781		$0		$0	
Net transfers from operating reserves			$666,730	($666,730)	($584,963)		$0			($25,545)		($56,222)		$0	
Net transfers to capital reserves			($1,030,420)	$1,030,420		$225,892			$170,567		$462,439		$171,522		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$12,351,141	$4,456,092	$2,550,184	$5,344,865	$1,802,033	$1,219,092	$357,373	$0	$216,923	$372,472	$752,331	$404,638	$219,803	$0	$0

School Jurisdiction Code: 2305

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002	Prior period adj $3,830 included to balance Page 3	$226,827	$31,758,148
Prior period adjustment			
Adjusted balance, August 31, 2002		$226,827	$31,758,148
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$276,627	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources		
Interest earned on provincial government capital allocations		$4,156	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$670,000
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$1,906,619
Expended capital allocations - current year		($496,405)	$496,405
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$2,587,827
Balance at August 31, 2003		$11,205	$32,243,345

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

PARKLAND SCHOOL DIVISION NO. 70
Notes to the Financial Statements
Year Ended August 31, 2003

1. Authority and Purpose

Parkland School Division No. 70 delivers education programs under the authority of the School Act, Chapter S3.1, Statues of Alberta, January 1, 2003.

The School Division receives block allocations for Instruction, Support and Capital purposes under Regulation 72/95. The Regulation limits funding and expenses for administration. It permits the School Division within specified limits, to reallocate funding between the instruction and support blocks.

2. Summary of Significant Accounting Policies

The financial statements are prepared in accordance with generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations. The financial statements have, in management's opinion, been prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Revenue Recognition

Revenue from the Provincial and Federal governments for instruction and support is recognized in the year to which they relate.

Instruction and transportation fees are recognized when the services are provided.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school division officials or their appointee(s).

Property and Equipment

Property and equipment are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Contributed Services

Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Parkland School Division No. 70 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. At August 31, 2003, the School Division's expense for this pension plan is equivalent to the annual contributions of $578,811 (2002 - $507,086).

At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2001 surplus of $634,960,000).

Financial Instruments

The division's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The division has invested surplus funds in accordance with Section 44 of the *School Act* and Section 5 of the Trustees Act.

Reserves

Reserves created by authorization of the Board of Trustees represent allocations for future capital expenditures and future operating expenses. The reserves are established and expended in accordance with terms and conditions established by the Board.

3. Accounts Receivable

	2003	2002
Provincial government	$ 1,637,445	$ 1,261,585
Federal government/First nations	225,278	183,958
Municipalities	646	3,631
Other school divisions	6,046	28,238
Other	250,570	248,929
	$ 2,119,985	**$ 1,726,341**

4. Trust Assets and Liabilities

	2003	2002
Endowment funds for scholarships	$ 105,803	$ 112,449
Deferred salary leave plan	412,738	248,220
	$ 518,541	$ 360,669

5. Property and Equipment

			2003	2002
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	$ 4,205,583	$ -	$ 4,205,583	$ 4,128,903
Buildings	74,375,799	33,179,752	41,196,047	42,435,358
Equipment	4,292,803	3,452,165	840,638	1,254,469
Vehicles	574,746	452,317	122,429	173,367
	$83,448,931	$37,084,234	$46,364,697	$47,992,097

6. Accounts Payable and Accruals

	2003	2002
Provincial government	$ 552,418	$ 668,620
Federal government/First nations	673,789	1,469,831
Municipalities	-	66,961
Other	892,907	2,246,761
	$ 2,119,114	$ 4,452,173

7. Deferred Revenue

	2003	2002
Alberta Learning		
One time grant funding - 1999	$ -	$ 864,191
One time grant funding - 2002	-	235,664
Alberta Initiative for School Improvements	-	85,825
Transportation – 2003-04	94,900	-
Alberta Infrastructure	606,527	784,991
Other	538,652	591,236
	$ 1,240,079	$ 2,561,907

8. Deferred Capital Contributions and Unamortized Capital Allocations

	2003		2002	
	Deferred Capital Contributions	Unamortized Capital Allocations	Deferred Capital Contributions (Note 20)	Unamortized Capital Allocations
Balance, beginning of year	$ 226,827	$31,758,148	$ 1,133,251	$30,306,562
Government grants	276,627	-	883,306	-
Interest on government grants	4,156	-	5,753	-
Proceeds on disposal of supported capital assets	-	-	3,830	-
Donated capital assets	-	670,000	-	-
Expended on property and equipment	(496,405)	496,405	(1,799,313)	1,799,313
Debt retirement	-	1,906,619	-	2,062,570
Amortization of property and equipment acquired from capital contributions	-	(2,587,827)	-	(2,223,226)
Unamortized capital allocation affected by a disposal through transfer out	-	-	-	(187,071)
Balance, end of year	**$ 11,205**	**$32,243,345**	**$ 226,827**	**$31,758,148**

9. Long-term Debt

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance.

	2003	2002
Debentures	$9,665,260	$11,571,879
Less current portion	1,766,712	1,906,619
	$ 7,898,548	**$ 9,665,260**

Debenture principal and interest amounts due in each of the next five years are as follows:

	Principal	Interest	Total
2004	1,766,712	1,064,824	2,831,536
2005	1,693,255	865,695	2,558,950
2006	1,692,495	672,493	2,364,988
2007	1,280,663	479,370	1,760,033
2008	910,240	335,549	1,245,789
2009 and thereafter	2,321,895	642,348	2,964,242
	$ 9,665,260	$ 4,060,279	$13,725,539

Cash interest paid during the year by the school division was $1,276,512 (2002 - $1,503,083).

10. School Generated Funds

	2003	2002
Balance, beginning of year	$ 449,352	$ 570,748
Source of School Generated Funds (SGF)		
SGF for the year	2,401,126	2,123,835
Less: costs of generating SGF	(1,825,279)	(1,715,560)
Donations received	37,150	35,893
Net SGF available for the year	612,997	444,168
Net SGF available for discretionary spending	1,062,349	1,014,916
Less: net SGF expended for the year	(619,163)	(565,564)
Balance, end of year	**$ 443,186**	**$ 449,352**

11. Reserves

	Balance, beginning of year (Note 20)	Appropriated during the year	Utilized during the year	Balance, end of year
Operating				
School instructional	$1,109,383	$1,277,613	$ 584,963	$1,802,033
System administration	169,236	228,781	25,545	372,472
Operation & Maintenance	-	357,373	-	357,373
Transportation	461,060	-	56,222	404,838
	1,739,679	1,863,767	666,730	2,936,716
Capital				
Land	1,779	-	-	1,779
Buildings	255,967	238,582	-	494,549
Equipment	1,106,412	638,224	108,786	1,635,850
Vehicles	122,357	153,614	-	275,971
	1,486,515	1,030,420	108,786	2,408,149
TOTAL	$3,226,194	$2,894,187	$ 775,516	$5,344,865

12. Allocations from the Province of Alberta

Allocations from the Province of Alberta are summarized as follows:

	2003	2002
Operating allocations:		
Alberta Learning		
Instruction block	$45,453,768	$44,294,491
Support block	8,224,199	11,066,236
Other	3,735,646	2,138,961
Alberta Finance	1,160,310	1,379,246
Alberta Infrastructure		
BQRP	834,442	781,296
Operation & maintenance	5,576,382	2,228,932
Other	129,784	172,233
	65,114,531	**62,061,395**
Capital allocations:		
Contribution to repayment of debt	1,906,619	2,062,570
Capital contribution	276,627	883,306
	$67,297,777	**$65,007,271**

13. Program Expenses

	2003 Budget (Note 18)	2003 Actual	2002 Actual
Home education	$ 176,639	$ 190,135	$ 361,865
Early childhood services	1,997,193	2,781,057	2,680,449
Student instruction	49,243,329	46,261,594	45,194,168
Operation and maintenance	9,940,265	9,604,369	10,042,018
Student transportation	6,309,084	6,314,637	5,943,247
Board/system administration	2,390,019	2,267,376	2,350,163
External services	564,532	927,666	869,562
School generated funds (Note 10)	428,536	619,163	565,564
	$71,049,597	**$68,965,997**	**$68,007,036**

14. Disclosure of Salaries and Benefits

	Number	Salaries and Wages	Benefits and Allowances	Total
Chairman of the Board	1	$ 16,166	$ 1,720	$ 17,886
Other Board Members	6	71,186	12,327	83,513
Superintendent	1	126,538	9,302	135,840
Secretary Treasurer	1	110,619	17,191	127,810
Salaries - Certificated	511	32,354,526	3,698,272	36,052,798
Salaries-Uncertificated	458	10,222,148	2,399,795	12,621,943
	978	$42,901,183	$ 6,138,607	$49,039,790

15. Commitment

The School Division is committed under non-cancellable operating leases for equipment in the amount of $548,819. The minimum amounts payable over the next three years are as follows: 2004 - $251,296; 2005 - $210,016; 2006 - $87,507

16. Economic Dependence on Related Third Party

The Parkland School Division No. 70's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

17. Contingencies

The School Division is a member of the Alberta Local Authorities Reciprocal Insurance Exchange. Under the terms of membership, the Division could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred will be accounted for as a current transaction in the year the losses are determined.

18. Budget Amounts

The budget was prepared by the School Division management with the Board of Trustees approval given on June 18, 2002. A revised budget based on student enrolments at September 30, 2002 is presented in these statements for information purposes only and has not been audited.

19. Comparative Figures

The budget 2003 and actual 2002 comparative figures have been reclassified where necessary to conform to actual 2003 presentation.

20. Prior Period Adjustments

Deferred Capital Allocations (2002-$222,997) has been increased to $226,827 and Supported Sch Capital Reserves (2002-$3,830) has been decreased to $0, as a result of a change in account treatment regarding net proceeds on the sale of supported capital assets.

	Balance, beginning of year	Prior period adjustment	Adjusted balance, beginning of year
Deferred Capital Contributions	$ 222,997	$ 3,830	$ 226,827
Capital Building Reserve	$ 259,797	$ (3,830)	$ 255,967

School Jurisdiction Code: 2305

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$44,206,445	$2,673,982	$41,532,463						
(2) Support block	$8,224,199				$6,021,069			$2,203,130	
(3) Instruction & support block reallocations	$0	($113,565)	($24,908)		$138,473			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$1,247,323	$0	$1,247,323						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,923,000	$60,164	$1,841,831					$21,005	$0
(8) Regional P.D. Consortium (6 boards only)	$777,612								$777,612
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$1,035,034	$0	$516,587	$4,782	$0			$513,665	$0
(11) **Total Alberta Learning Revenue**	$57,413,613	$2,620,581	$45,113,296	$4,782	$6,159,542			$2,737,800	$777,612
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$834,442	$0	$0	$834,442					
(13) Operations & Maintenance support	$5,576,382			$5,576,382					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$6,410,824	$0	$0	$6,410,824					
(16) **Alberta Finance**	$1,160,310			$1,160,310	$0			$0	$0
(17) **Other - Government of Alberta**	$129,784	$129,784	$0	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$1,453,765	$0	$1,243,998	$151,616	$0			$58,151	$0
(19) **Other Alberta school authorities**	$68,876	$0	$62,164	$0	$6,712			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$32,704	$0	$0	$0	$0			$0	$32,704
(22) **Instruction resource fees**	$633,420	$30,692	$602,728						
(23) **Transportation fees**	$110,863				$110,863				
(24) **Other sales and services**	$511,008	$0	$228,362	$44,682	$105,035			$15,579	$117,350
(25) **Investment income**	$291,826	$0	$221,788	$32,101	$26,264			$11,673	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$2,800		$0	$2,800	$0			$0	$0
(28) **Net school generated funds**	$619,163		$619,163					$0	
(29) **Gains on disposal of capital assets**	$991		$0	$991	$0			$0	$0
(30) **Amortization of capital allocations**	$2,587,827		$0	$2,587,827	$0				$0
(31) **TOTAL REVENUES**	$71,427,774	$2,781,057	$48,091,499	$10,395,933	$6,408,416			$2,823,203	$927,666
EXPENSES									
(32) **Certificated salaries**	$32,481,064	$989,817	$31,136,455				$354,792	$354,792	$0
(33) **Certificated benefits**	$3,707,574	$116,841	$3,559,522				$31,211	$31,211	$0
(34) **Uncertificated salaries and wages**	$10,420,120	$860,624	$5,911,597	$2,334,310	$259,820	$87,352	$823,596	$910,948	$142,821
(35) **Uncertificated benefits**	$2,431,032	$179,689	$1,419,858	$572,625	$56,801	$14,047	$172,400	$186,447	$15,612
(36) **SUB - TOTAL**	$49,039,790	$2,146,971	$42,027,432	$2,906,935	$316,621	$101,399	$1,381,999	$1,483,398	$158,433
(37) **Services, contracts & supplies**	$15,152,455	$108,697	$4,585,260	$3,030,557	$5,968,713	$200,395	$489,600	$689,995	$769,233
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$525,389	($386,856)	($130,450)	$7,782	$1,516	($17,381)	($15,865)	$0
(39) **Net school generated funds**	$619,163		$619,163						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$2,587,827	$0	$0	$2,587,827	$0		$0	$0	$0
(41) Unsupported	$406,452	$0	$225,892	$49,190	$21,522	$0	$109,848	$109,848	$0
(42) Total Amortization	$2,994,279	$0	$225,892	$2,637,017	$21,522	$0	$109,848	$109,848	$0
Interest on capital debt									
(43) Supported	$1,160,310	$0	$0	$1,160,310	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$68,965,997	$2,781,057	$47,070,891	$9,604,369	$6,314,638	$303,310	$1,964,066	$2,267,376	$927,666
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$2,461,777	$0	$1,020,608	$791,564	$93,778			$555,827	$0
Applicable student numbers/FTE equivalent	9,377.0	668	9,043.0	9,335.0	8,785			9,377.0	
AVERAGE PROGRAM COSTS per student	$7,355	$4,163	$5,205	$1,029	$719			$242	

School Jurisdiction Code: 2305

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$24,693,935	$3,483,259	$273,010	$1,068,647	$659,353	$958,251	$0	$31,136,455
Certificated benefits	$2,908,457	$405,822	$29,906	$127,341	$77,144	$10,852	$0	$3,559,522
Uncertificated salaries and wages	$996,290	$2,432,701	$86,976	$1,271,053	$1,065,978	$58,599	$0	$5,911,597
Uncertificated benefits	$150,014	$675,716	$23,366	$293,995	$265,757	$11,010	$0	$1,419,858
SUB - TOTAL REMUNERATION	$28,748,696	$6,997,498	$413,258	$2,761,036	$2,068,232	$1,038,712	$0	$42,027,432
Services, contracts & supplies	$3,554,237	$669,880	$82,755	$12,436	$40,020	$210,238	$15,694	$4,585,260
Cost recoveries & transfers	($232,441)	($121,797)	($30,990)	$0	$0	($1,628)	$0	($386,856)
Net school generated funds	$619,163							$619,163
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$225,892	$0	$0					$225,892
Total Amortization	$225,892	$0	$0					$225,892
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$32,915,547	$7,545,581	$465,023	$2,773,472	$2,108,252	$1,247,322	$15,694	$47,070,891
FTE Certificated				16.5	10.4			
FTE Uncertificated				58.2	46.5			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$38,081,429	$3,479,897	$2,304,114	($24,908)	$43,840,532	$33,465,304	$10,375,228
School Admin & Instruction Support Expenses						$7,545,581	($7,545,581)
System Instruction Support Expenses						$465,023	($465,023)
Total Basic Instruction	$38,081,429	$3,479,897	$2,304,114	($24,908)	$43,840,532	$41,475,908	$2,364,624
Sub-Programs & Initiatives							
Severely Disabled	$2,146,723		$64,917		$2,211,640	$2,108,252	$103,388
English as a Second Language	$13,213				$13,213	$13,213	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$86,455		$0		$86,455	$86,455	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$69,921				$69,921		$69,921
Growth & Density	$61,490				$61,490		$61,490
Teacher Assistants Program	$175,243				$175,243	$175,243	$0
Early Literacy Initiative (K-2)	$319,179				$319,179	$553,164	($233,985)
Learning Resources Credit & Resources for the Classroom	$85,747	$125,844	$602,728		$814,319	$1,905,409	($1,091,090)
Technology Integration	$376,035		$0		$376,035	$489,803	($113,768)
French Language Program & Francisation (all jurisdictions)	$73,309		$0		$73,309	$73,309	$0
Home Education	$43,719		$6,444		$50,163	$190,135	($139,972)
Total Sub-Programs & Initiatives	$3,451,034		$674,089		$4,250,967	$5,594,983	($1,344,016)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$41,532,463	$3,605,741	$2,978,203	($24,908)	$48,091,499	$47,070,891	$1,020,608

School Jurisdiction Code: 2305

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$2,673,982	$41,532,463		$6,021,069	$2,203,130	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	($138,473)			$138,473		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$44,206,445* = *$884,129* *($138,473)*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$24,908	($24,908)				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($113,565)	($24,908)		$138,473	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 2305

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$43,830,410
Support Block - Transportation	$6,021,069
SUBTOTAL	$49,851,479

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$5,576,382
Teacher Salary Enhancement	$1,923,000
Other Alberta Learning revenues (Describe) Curriculium Development ($45,000), RCF ($125,84	$170,844
Other - Government of Alberta (Excluding Alberta Finance)	$129,784
Federal government/First Nations	$1,453,765
Other Alberta school authorities	$68,876
Out of province local authorities	$0
Alberta municipalities	$32,704
Other sales and services	$511,008
Interest on investments	$291,826
Rentals of facilities	$2,800
Gains on disposal of capital assets	$991
Amortization of capital allocations	$2,587,827
School generated funds (Schedule E)	$2,401,126
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$65,002,412**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$2,600,096

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$2,600,096**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$2,267,376
PLUS: transfers to Restricted - Operating (Board/System Administration)	$228,781
LESS: transfers from Restricted - Operating (Board/System Administration)	-$25,545
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,470,612
Maximum Expense Limit for Board & System Administration (Step 3)	$2,600,096
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$129,484

School Jurisdiction Code: 2305

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1)		$449,352
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$2,401,126	
Less: SGF - related cost recoveries (Note 3)	$1,825,279	
- capitalized at the District level (Note 4)	$0	
Net Total	$575,847	
Plus: Donations Received (Note 5)	$37,150	
Equals: Net Additions to SGF		$612,997
Net SGF Available for discretionary spending		$1,062,349
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$619,163
Unexpended SGF - Closing Balance August 31, 2003		$443,186

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 2305

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,659,586	$412,725	$0	$0	$261,999	$2,334,310		$2,334,310
Uncertificated benefits	$409,790	$111,987	$0	$0	$50,848	$572,625		$572,625
Sub-total Remuneration	$2,069,376	$524,712	$0	$0	$312,847	$2,906,935		$2,906,935
Contracted Services	$1,452	$344,404	$0	$834,442	$9,795	$1,190,093		$1,190,093
Supplies	$119,016	$244,821	$0	$0	$0	$363,837		$363,837
Electricity			$754,955			$754,955		$754,955
Natural Gas/Heating Fuel			$503,824			$503,824		$503,824
Sewer and Water			$52,941			$52,941		$52,941
Telecommunications			$17,874			$17,874		$17,874
Insurance					$147,033	$147,033		$147,033
Amortization of capital assets								
Supported							$2,587,827	$2,587,827
Unsupported						$49,190		$49,190
Total Amortization						$49,190	$2,587,827	$2,637,017
Interest on capital debt								
Supported							$1,160,310	$1,160,310
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($130,450)		($130,450)
TOTAL EXPENSES	$2,189,844	$1,113,937	$1,329,594	$834,442	$469,675	$5,856,232	$3,748,137	$9,604,369
SQUARE METRES								
School Buildings								$103,253
Non School Buildings								0.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 2305

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name L. Briggs Berner	0.8	$14,983	$1,580	$0	$0	$0	$16,563	$5,246
Name J. Smith	0.2	$1,183	$140	$0	$0	$0	$1,323	$0
Other Board Members:								
Name L. Briggs Berner	0.2	$772	$108	$0	$0	$0	$880	$0
Name S. Cornelius	1.0	$10,336	$2,924	$0	$0	$0	$13,260	$2,802
Name G. Gruber	1.0	$13,494	$2,989	$0	$0	$0	$16,483	$8,276
Name J. Kesanko	1.0	$11,306	$1,473	$0	$0	$0	$12,779	$4,716
Name R. Mah	1.0	$7,174	$201	$0	$0	$0	$7,375	$1,222
Name J. Smith	0.8	$12,042	$1,501	$0	$0	$0	$13,543	$8,793
Name S. Waddle	1.0	$16,062	$3,131	$0	$0	$0	$19,193	$5,267
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal	*7.0*	*$87,352*	*$14,047*	*$0*	*$0*	*$0*	*$101,399*	*$36,322*
Superintendent M. Campbell	1.0	$126,538	$9,302	$0	$0	$0	$135,840	$10,349
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer T. Olson	1.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	0.0	$110,619	$17,191	$0	$0	$0	$127,810	$6,424
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	510.6	$32,221,736	$3,698,272	$0	$0	$132,790	$36,052,798	
Uncertificated Salaries & Wages	458.0	$10,222,148	$2,399,795	$0	$0	$0	$12,621,943	
TOTALS		**$42,768,393**	**$6,138,607**	**$0**	**$0**	**$132,790**	**$49,039,790**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 2305

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1070

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

PEACE RIVER SCHOOL DIVISION #10
Name of School Jurisdiction

10018-101 STREET, PEACE RIVER, ALBERTA T8S 2A5
Mailing Address

PHONE: (780) 624-3601 FAX: (780)624-5941
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules of PEACE RIVER SCHOOL DIVISION #10 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Bonnie Paulovich	"Original signed by"
Name	Signature

SUPERINTENDENT

Dave van Tamelen	"Original signed by"
Name	Signature

SECRETARY TREASURER OR TREASURER

Bruce Moltzan	"Original signed by"
Name	Signature

20-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
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School Jurisdiction Code: 1070

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Geoffrey Davidge*
Chartered Accountant

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AUDITOR'S REPORT

To the Board of Trutees of
Peace River School Division No. 10:

We have audited the statement of financial position of the Peace River School Division No. 10 as at August 31, 2003 and the statement of revenues and expenses, the statement of cash flows, the statement of changes in net assets, and the statement of deferred capital allocations for the year then ended. These financial statements are the responsibility of the Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Division as at August 31, 2003 and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Chartered Accountants
Edmonton, Alberta
November 7, 2003

*[illegible] Corporation

School Jurisdiction Code: 1070

STATEMENT OF FINANCIAL POSITION

as at *August 31,2003*

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$4,156,204	$10,352,489
Accounts receivable (net after allowances)		$3,680,891	$3,713,912
Prepaid expenses		$169,363	$193,336
Other current assets		$256,426	$172,428
Total current assets		$8,262,884	$14,432,165
School generated assets		$482,319	$524,786
Trust assets		$162,722	$147,703
Long term accounts receivable		$20,752	$0
Capital assets			
Land		$1,946,530	$1,946,530
Buildings	$49,324,840		
Less: accumulated amortization	($22,734,930)	$26,589,910	$23,805,456
Equipment	$863,195		
Less: accumulated amortization	($638,631)	$224,564	$277,007
Vehicles	$5,747,155		
Less: accumulated amortization	($3,409,503)	$2,337,653	$2,329,699
Total capital assets		$31,098,657	$28,358,692
TOTAL ASSETS		$40,027,335	$43,463,346
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,682,643	$2,705,154
Deferred revenue		$1,991,306	$6,442,767
Deferred capital allocations		$165,974	$193,136
Current portion of all long term debt		$1,123,704	$1,123,704
Total current liabilities		$4,963,628	$10,464,761
School generated liabilities		$482,319	$524,786
Trust liabilities		$162,722	$147,703
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$9,383,205	$10,506,909
Less: Current portion of supported debt		($1,123,704)	($1,123,704)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$15,936,607	$12,299,059
Total long term liabilities		$24,841,149	$22,354,753
TOTAL LIABILITIES		$29,804,777	$32,819,514
NET ASSETS			
Unrestricted net assets		$1,357,296	$1,947,492
Operating Reserves		$826,648	$998,714
Accumulated Operating Surplus (Deficit)		$2,183,944	$2,946,206
Investment in capital assets		$5,778,843	$5,552,725
Capital Reserves		$2,259,770	$2,144,899
Total Capital Funds		$8,038,614	$7,697,624
Total net assets		$10,222,558	$10,643,830
TOTAL LIABILITIES AND NET ASSETS		$40,027,335	$43,463,344

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1070

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$25,440,502	$24,216,559	$25,586,565
Alberta Infrastructure	$2,981,154	$2,456,419	$1,475,986
Alberta Finance	$1,051,535	$1,189,395	$1,133,325
Other Government of Alberta	$206,631	$0	$289,937
Federal Government and/or First Nations	$215,564	$109,284	$138,547
Other Alberta school authorities	$0	$258,008	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$28,000	$0
Instruction resource fees	$296,289	$191,320	$310,468
Transportation fees	$27,712	$25,000	$25,901
Other sales and services	$329,401	$362,320	$421,221
Investment income	$165,631	$186,400	$131,629
Gifts and donations	$79,599	$0	$98,894
Rentals of facilities	$72,461	$104,205	$71,987
Net school generated funds	$281,438	$324,594	$393,274
Gains on disposal of capital assets	$6,404	$36,339	$51,902
Amortization of capital allocations	$1,622,943	$1,272,693	$1,345,945
Total Revenues	$32,777,263	$30,760,536	$31,475,581
EXPENSES			
Certificated salaries	$14,306,739	$12,579,207	$12,653,201
Certificated benefits	$1,558,087	$1,761,159	$1,341,866
Uncertificated salaries and wages	$6,013,811	$5,260,754	$6,031,667
Uncertificated benefits	$729,856	$825,269	$765,297
Services, contracts and supplies	$7,265,758	$7,057,015	$6,409,709
Net school generated funds	$281,438	$324,594	$393,274
Capital and debt services			
Amortization of capital assets			
Supported	$1,622,943	$1,272,693	$1,345,945
Unsupported	$504,652	$695,976	$599,602
Total Amortization of capital assets	$2,127,595	$1,968,669	$1,945,547
Interest on capital debt			
Supported	$1,051,535	$1,189,395	$1,133,328
Unsupported	$0	$0	$0
Total Interest on capital debt	$1,051,535	$1,189,395	$1,133,328
Other interest charges	$2,990	$0	$0
Losses on disposal of capital assets	$39,660	$0	$3,302
Total Expenses	$33,377,469	$30,966,062	$30,677,191
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($600,206)	($205,526)	$798,390
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$178,935	$0	$406,149
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($421,272)	($205,526)	$1,204,539

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($421,272)	$1,204,538
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,622,943)	($1,345,945)
Total amortization expense	$2,127,595	$1,945,547
Gains on disposal of capital assets	($6,404)	($51,902)
Losses on sale of capital assets	$39,660	$3,302
Changes in accrued accounts:		
Accounts receivable	$12,269	($1,786,439)
Prepaids and other current assets	($60,025)	($48,498)
Payables and accrued liabilities	($1,022,511)	$1,137,277
Deferred revenue	($4,451,461)	$2,837,731
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($5,405,092)	$3,895,611
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($4,428,402)	($3,813,882)
Equipment	($68,054)	($170,583)
Vehicles	($417,509)	($545,486)
Net proceeds from disposal of capital assets	$13,146	$70,524
Other (describe)		$0
Total sources (uses) of cash from Investing activities	($4,900,818)	($4,459,427)
C. FINANCING ACTIVITIES		
Capital allocations received	$4,109,626	$3,490,818
Issue of long term debt		$0
Repayment of long term debt	($1,123,704)	($1,123,704)
Add back: supported portion	$1,123,704	$1,123,704
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$4,109,626	$3,490,818
Net sources (uses) of cash equivalents* during year	($6,196,285)	$2,927,002
Cash Equivalents at the beginning of the year	$10,352,489	$7,425,487
Cash Equivalents at the end of the year	$4,156,204	$10,352,489

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 1070

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
				TOTAL	RESTRICTED NET ASSETS										
	TOTAL	INVESTMENT	UNRESTRICTED	RESTRICTED	School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS Columns 5 to 15	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$10,643,830	$5,552,725	$1,947,492	$3,143,613	$643,016	$52,212	$0	$0	$549,340	$157,700	$417,771	$197,998	$1,125,576	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug 31, 2002	$10,643,830	$5,552,725	$1,947,492	$3,143,613	$643,016	$52,212	$0	$0	$549,340	$157,700	$417,771	$197,998	$1,125,576	$0	$0
Surplus(def) of revenue over expenses	($421,272)		($421,272)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$178,935	($178,935)												
Board funded capital transactions		$598,241	($598,241)	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($2,127,595)	$2,127,595												
Amortization of capital allocations		$1,622,943	($1,622,943)												
Disposal of unsupported capital assets	$0	($10,753)	$10,753	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	($35,653)	$35,653			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($25,135)	$25,135	$0		$0			$25,135		$0		$0	
Net transfers from operating reserves			$197,201	($197,201)	($140,962)		$0			$0		($56,239)		$0	
Net transfers to capital reserves			($114,871)	$114,871		$1,486			$44,670		$29,237		$39,478		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$10,222,558	$5,778,843	$1,357,296	$3,086,418	$502,054	$53,698	$0	$0	$594,010	$182,835	$447,008	$141,759	$1,165,054	$0	$0

School Jurisdiction Code: 1070

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$193,136	$12,299,059
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$193,136	$12,299,059
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$4,123,231	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		($13,605)	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$1,123,704
Expended capital allocations - current year		($4,136,788)	$4,136,788
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,622,943
Balance at August 31, 2003		$165,974	$15,936,607

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

PEACE RIVER SCHOOL DIVISION NO. 10
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

Note 1 Significant Accounting Policies and Reporting Practices

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for service related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted donations are recognized as revenue when they are received or receivable.

(b) Capital Assets

Capital assets are recorded at cost. The cost less an estimated residual value is amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	15 to 40 years
Equipment	5 years
Vehicles	7 to 12 years
Land Improvements	20 years

(c) Inventories

Inventories are valued at the lower of cost and net realizable value as determined on a weighted average cost basis.

(d) School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues, and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointee(s).

(e) Principal Payments on Capital Borrowings received from Alberta Education

The principal payments on capital funds borrowed are shown as credits to the investment in capital assets when repaid.

(f) Vacation Pay

Vacation pay is recorded when earned.

(g) Contributed Services

Volunteers assist schools operated by the Division in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

(h) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Peace River School Division does not make pension contributions for certificated staff.

Note 2 Long-term Debt

The school division has issued the following debentures to the Alberta Municipal Finance Corporation (A.M.F.C.) to finance construction of school buildings. The interest rates on these debentures range from 7 ¼ % to 12%.

Total debentures owing to A.M.F.C.	$9,383,205
Less due within one year	1,123,704
	$8,259,501

Principal debt payments in the next five years are as follows:

2004	1,123,704
2005	1,123,704
2005	1,123,704
2006	1,123,704
2008 and thereafter	4,888,389
	$9,383,205

Note 3 Budget Amounts

The budget was prepared by the Division's management with Board of Trustees approval given on May 21, 2002. It is presented for information purposes only and has not been audited.

Note 4 Approval of Financial Statements

These financial statements were approved by management.

Note 5 Financial Instruments

The School Division's financial instruments consist of cash, accounts receivable, inventory, accounts payable and accrued liabilities, salaries payable long term debentures. It is management's opinion that the Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximate their carrying values.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 1070

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$19,058,918	$950,432	$18,108,486						
(2) Support block	$5,075,457				$3,747,415			$1,328,042	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$463,436	$35,196	$428,240						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$801,000	$0	$798,930					$2,070	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$41,690	$0	$41,690	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$25,440,502	$985,628	$19,377,346	$0	$3,747,415			$1,330,112	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$514,239	$0	$0	$514,239					
(13) Operations & Maintenance support	$2,457,346			$2,457,346					
(14) Operations & Maintenance support (One-Time)	$9,570			$9,570					
(15) **Total Alberta Infrastructure Revenue**	$2,981,154	$0	$0	$2,981,154					
(16) **Alberta Finance**	$1,051,535			$1,051,535	$0			$0	$0
(17) **Other - Government of Alberta**	$206,631	$0	$206,631	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$215,564	$0	$215,564	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$298,289	$11,805	$284,484						
(23) **Transportation fees**	$27,712				$27,712				
(24) **Other sales and services**	$329,401	$0	$30,109	$54,563	$25,906			$2,137	$216,685
(25) **Investment income**	$165,631	$0	$45,631	$120,000	$0			$0	$0
(26) **Gifts and donations**	$79,599	$0	$79,599	$0	$0				$0
(27) **Rentals of facilities**	$72,461		$0	$72,461	$0			$0	$0
(28) **Net school generated funds**	$281,438		$281,438					$0	
(29) **Gains on disposal of capital assets**	$6,404		$200	$0	$6,204			$0	$0
(30) **Amortization of capital allocations**	$1,622,943		$0	$1,622,943	$0				$0
(31) **TOTAL REVENUES**	$32,777,263	$997,433	$20,521,002	$5,902,656	$3,807,237			$1,332,250	$216,685
EXPENSES									
(32) **Certificated salaries**	$14,306,739	$361,521	$13,600,360				$344,858	$344,858	
(33) **Certificated benefits**	$1,568,087	$47,974	$1,484,027				$26,086	$26,086	$0
(34) **Uncertificated salaries and wages**	$6,013,811	$304,924	$3,024,333	$678,542	$1,440,792	$79,306	$402,700	$482,006	$85,213
(35) **Uncertificated benefits**	$729,656	$36,022	$301,416	$118,000	$188,321	$1,760	$71,170	$72,930	$15,158
(36) **SUB - TOTAL**	$22,608,494	$750,441	$18,410,136	$792,542	$1,629,113	$81,066	$844,814	$925,880	$100,381
(37) **Services, contracts & supplies**	$7,265,758	$76,221	$2,509,256	$2,593,334	$1,840,559	$52,085	$283,035	$335,120	$111,268
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$281,438		$281,438						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,622,943	$0	$0	$1,608,528	$14,415		$0	$0	$0
(41) Unsupported	$504,652	$0	$109,374	$0	$352,153	$0	$43,125	$43,125	$0
(42) Total Amortization	$2,127,595	$0	$109,374	$1,608,528	$366,568	$0	$43,125	$43,125	$0
Interest on capital debt									
(43) Supported	$1,051,535	$0	$0	$1,051,535	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0		$0	$0
(45) Other interest charges	$2,990	$0	$0	$0	$0		$2,990	$2,990	$0
(46) Losses on disposal of capital assets	$39,860	$0	$3,661	$35,853	$348	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$33,377,469	$826,662	$21,313,865	$8,081,592	$3,636,586	$133,151	$1,173,964	$1,307,115	$211,650
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($600,206)	$170,771	($792,863)	($178,936)	$170,651			$25,135	$5,035
Applicable student numbers/FTE equivalent	3,166.7	264	3,034.7	3,152.7	4,039			3,166.7	
AVERAGE PROGRAM COSTS per student	$10,540	$3,131	$7,024	$1,929	$900			$413	

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$10,600,162	$1,873,205	$181,869	$835,254	$25,025	$84,845	$0	$13,600,360
Certificated benefits	$1,093,964	$248,574	$15,332	$109,688	$2,171	$14,298	$0	$1,484,027
Uncertificated salaries and wages	$1,142,582	$710,410	$10,313	$89,078	$981,825	$90,125	$0	$3,024,333
Uncertificated benefits	$58,875	$77,618	$1,150	$12,866	$138,433	$12,474	$0	$301,416
SUB - TOTAL REMUNERATION	$12,895,583	$2,909,807	$208,664	$1,046,886	$1,147,454	$201,742	$0	$18,410,136
Services, contracts & supplies	$1,366,206	$825,520	$30,370	$8,252	$137,153	$141,755	$0	$2,509,256
Cost recoveries & transfers	$0		$0	$0	$0	$0	$0	$0
Net school generated funds	$281,438							$281,438
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$109,374	$0	$0					$109,374
Total Amortization	$109,374	$0	$0					$109,374
Interest on capital debt								
Supported	$0	$0						$0
Unsupported		$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$3,661	$0						$3,661
TOTAL EXPENSES	$14,656,262	$3,735,327	$239,034	$1,055,138	$1,284,607	$343,497	$0	$21,313,865
FTE Certificated				14.8	0.3			
FTE Uncertificated				4.4	46.9			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$14,706,840	$1,227,170	$851,125	$0	$16,785,136	$14,558,250	$2,226,885
School Admin & Instruction Support Expenses						$3,735,327	($3,735,327)
System Instruction Support Expenses						$239,034	($239,034)
Total Basic Instruction	$14,706,840	$1,227,170	$851,125	$0	$16,785,136	$18,532,611	($1,747,476)
Sub-Programs & Initiatives							
Severely Disabled	$1,024,628		$0		$1,024,628	$1,284,607	($259,979)
English as a Second Language	$41,537				$41,537	$51,035	($9,498)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$83,048		$8,046		$91,094	$83,048	$8,046
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$1,747,333				$1,747,333		$1,747,333
Growth & Density	$65,794				$65,794		$65,794
Teacher Assistants Program	$69,534				$69,534	$214,561	($145,027)
Early Literacy Initiative (K-2)	$123,799				$123,799	$130,202	($6,403)
Learning Resources Credit & Resources for the Classroom	$33,134	$41,690	$284,484		$359,308	$734,348	($375,040)
Technology Integration	$144,480		$0		$144,480	$215,094	($70,614)
French Language Program & Francisation (all jurisdictions)	$44,402		$0		$44,402	$44,402	$0
Home Education	$23,957		$0		$23,957	$23,957	$0
Total Sub-Programs & Initiatives	$3,401,646		$292,530		$3,735,866	$2,781,254	$954,612
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$18,108,486	$1,268,860	$1,143,655	$0	$20,521,002	$21,313,865	($792,863)

School Jurisdiction Code: 1070

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$950,432	$18,108,486		$3,747,415	$1,328,042	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Not	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of ***$19,058,918*** ***=*** ***$381,178*** ***$0***						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1070

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$18,914,438
Support Block - Transportation	$3,747,415
SUBTOTAL	$22,661,853

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,457,346
Teacher Salary Enhancement	$801,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$206,631
Federal government/First Nations	$215,564
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$329,401
Interest on investments	$165,631
Rentals of facilities	$72,461
Gains on disposal of capital assets	$6,404
Amortization of capital allocations	$1,622,943
School generated funds (Schedule E)	$951,350
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$29,490,583**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o = 4%	**5.35%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,578,454
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,578,454**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,307,115
PLUS: transfers to Restricted - Operating (Board/System Administration)	$25,135
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,332,250
Maximum Expense Limit for Board & System Administration (Step 3)	$1,578,454
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$246,204

School Jurisdiction Code: 1070

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1)		$524,786
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$951,350	
Less: SGF - related cost recoveries (Note 3)	$733,365	
- capitalized at the District level (Note 4)	$0	
Net Total	$217,985	
Plus: Donations Received (Note 5)	$20,986	
Equals: Net Additions to SGF		$238,971
Net SGF Available for discretionary spending		$763,757
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$281,438
Unexpended SGF - Closing Balance August 31, 2003		$482,319

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1070

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$561,828	$0	$0	$114,714	$676,542		$676,542
Uncertificated benefits	$6,379	$89,067	$0	$0	$20,554	$116,000		$116,000
Sub-total Remuneration	$6,379	$650,895	$0	$0	$135,268	$792,542		$792,542
Contracted Services	$962,688	$196,430	$0	$253,360	$11,172	$1,423,650		$1,423,650
Supplies	$21,844	$0	$0	$0	$2,210	$24,054		$24,054
Electricity			$482,998			$482,998		$482,998
Natural Gas/Heating Fuel			$455,963			$455,963		$455,963
Sewer and Water			$83,159			$83,159		$83,159
Telecommunications			$4,966			$4,966		$4,966
Insurance					$118,544	$118,544		$118,544
Amortization of capital assets								
Supported							$1,608,528	$1,608,528
Unsupported								$0
Total Amortization						$0	$1,608,528	$1,608,528
Interest on capital debt								
Supported							$1,051,535	$1,051,535
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$35,653		$35,653
Cost recoveries & transfers								$0
TOTAL EXPENSES	$990,911	$847,325	$1,027,086	$253,360	$267,194	$3,421,529	$2,660,063	$6,081,592
SQUARE METRES								
School Buildings								57,187.3
Non School Buildings								382.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1070

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Elaine Sky	1.0	$13,635	$320	$0	$0	$0	$13,954	$10,818
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Sylvia Mathieu	1.0	$10,363	$248	$0	$0	$0	$10,611	$3,454
Name	Colin Needham	1.0	$4,214	$73	$0	$0	$0	$4,287	$2,380
Name	Bonnie Paulovich	1.0	$11,192	$320	$0	$0	$0	$11,512	$11,553
Name	Louise Woroniuk	1.0	$13,777	$274	$0	$0	$0	$14,051	$7,369
Name	Trudi Keillor	1.0	$9,899	$16	$0	$0	$0	$9,914	$5,153
Name	Mark Neilson	1.0	$16,227	$509	$0	$0	$0	$16,736	$11,358
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*7.0*	*$79,306*	*$1,760*	*$0*	*$0*	*$0*	*$81,066*	*$52,085*
Superintendent	Dave van Tamelen	1.0	$121,004	$8,913	$0	$0	$0	$129,916	$16,908
Superintendent		0.0			$0	$0	$0	$0	
Secretary/Treasurer	Bruce Moltzan	1.0	$94,326	$8,656	$0	$0	$0	$102,982	$11,493
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		199.7	$14,113,336	$1,549,174	$0	$0	$72,399	$15,734,910	
Uncertificated Salaries & Wages		208.6	$5,840,178	$719,442	$0	$0	$0	$6,559,620	
TOTALS			$20,248,150	$2,287,945	$0	$0	$72,399	$22,608,494	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 1070

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 3345

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Peace Wapiti School Board No. 33
Name of School Jurisdiction

8611A - 108 St, Grande Prairie, AB T8V 4C5
Mailing Address

(780)532-8133 (780)532-4234
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules of Peace Wapiti School Board No. 33 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name	Signature
Mrs. Lynne Phillips	"Original Signed By"

SUPERINTENDENT

Name	Signature
Dr. Darwin Eckstrom	"Original Signed By"

SECRETARY TREASURER OR TREASURER

Name	Signature
Mrs. Leslie Cage	"Original Signed By"

20-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 3345

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FLETCHER
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& CO. LLP
CHARTERED ACCOUNTANTS

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Grande Prairie, Alberta
T8V 5V4

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AUDITOR'S REPORT

To the Board of Trustees
Peace Wapiti School Board No. 33

We have audited the statement of financial position of the **Peace Wapiti School Board No. 33** as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Grande Prairie, Alberta
October 10, 2003

Fletcher Mudryk + Co.
Chartered Accountants

School Jurisdiction Code: 3345

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$9,737,500	$13,027,185
Accounts receivable (net after allowances)		$2,060,041	$2,020,901
Prepaid expenses		$195,773	$478,989
Other current assets		$394,974	$323,461
Total current assets		$12,388,288	$15,850,536
School generated assets		$805,824	$825,408
Trust assets		$101,358	$75,885
Long term accounts receivable		$0	$0
Capital assets			
Land		$1,908,250	$1,029,862
Buildings	$63,630,346	$28,639,719	$25,414,169
Less: accumulated amortization	($34,990,627)		
Equipment	$2,916,397	$1,439,535	$1,360,374
Less: accumulated amortization	($1,476,862)		
Vehicles	$10,661,161	$5,767,976	$5,612,178
Less: accumulated amortization	($4,893,185)		
Total capital assets		$37,755,480	$33,416,583
TOTAL ASSETS		$51,050,950	$50,168,412
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,810,352	$5,441,026
Deferred revenue		$769,633	$2,241,785
Deferred capital allocations		$3,302,616	$748,751
Current portion of all long term debt		$1,333,660	$1,333,660
Total current liabilities		$9,216,261	$9,765,222
School generated liabilities		$805,824	$825,408
Trust liabilities		$101,358	$75,885
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$12,400,550	$13,734,210
	Less: Current portion of supported debt	($1,333,660)	($1,333,660)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$13,648,524	$11,832,442
Total long term liabilities		$25,622,596	$25,134,285
TOTAL LIABILITIES		$34,838,857	$34,899,507
NET ASSETS			
Unrestricted net assets		$159,831	$379,053
Operating Reserves		$3,445,926	$3,070,786
Accumulated Operating Surplus (Deficit)		$3,605,757	$3,449,839
Investment in capital assets		$11,706,405	$7,830,095
Capital Reserves		$899,931	$3,988,971
Total Capital Funds		$12,606,336	$11,819,066
Total net assets		$16,212,093	$15,268,905
TOTAL LIABILITIES AND NET ASSETS		$51,050,950	$50,168,412

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements

School Jurisdiction Code: 3345

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$38,747,652	$38,094,645	$38,496,970
Alberta Infrastructure	$4,749,358	$4,284,400	$2,430,217
Alberta Finance	$1,336,344	$1,300,000	$1,827,138
Other Government of Alberta	$113,983	$115,000	$106,830
Federal Government and/or First Nations	$823,965	$741,110	$736,863
Other Alberta school authorities	$123,455	$160,750	$131,917
Out of province authorities	$279,964	$152,000	$151,376
Alberta Municipalities (excluding supplementary requisitions)	$82,878	$87,500	$49,941
Instruction resource fees	$421,900	$395,200	$418,085
Transportation fees	$0	$0	$0
Other sales and services	$465,966	$408,470	$627,521
Investment income	$598,585	$305,015	$474,751
Gifts and donations	$157,013	$0	$25,232
Rentals of facilities	$83,520	$0	$4,912
Net school generated funds	$1,011,110	$1,000,000	$813,757
Gains on disposal of capital assets	$76,750	$30,000	$54,302
Amortization of capital allocations	$1,398,042	$1,350,000	$1,287,299
Total Revenues	$50,470,485	$48,424,090	$47,637,111
EXPENSES			
Certificated salaries	$21,806,748	$21,355,100	$19,632,667
Certificated benefits	$2,537,287	$2,439,715	$1,930,211
Uncertificated salaries and wages	$8,511,354	$8,219,575	$8,470,266
Uncertificated benefits	$1,843,495	$1,586,950	$1,591,929
Services, contracts and supplies	$9,906,476	$10,261,995	$10,594,125
Net school generated funds	$1,011,110	$1,000,000	$813,757
Capital and debt services			
Amortization of capital assets			
Supported	$1,398,042	$1,350,000	$1,287,299
Unsupported	$1,174,647	$1,214,135	$1,123,978
Total Amortization of capital assets	$2,572,689	$2,564,135	$2,411,277
Interest on capital debt			
Supported	$1,336,341	$1,300,000	$1,475,730
Unsupported	$0	$0	$0
Total interest on capital debt	$1,336,341	$1,300,000	$1,475,730
Other interest charges	$1,797	$2,000	$1,721
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$49,527,297	$48,729,470	$47,021,683
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$943,188	($305,380)	$615,428
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$943,188	($305,380)	$615,428

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 3345

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$943,188	$615,428
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,398,042)	($1,287,299)
Total amortization expense	$2,572,689	$2,411,277
Gains on disposal of capital assets	($76,750)	($54,302)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($39,140)	($245,735)
Prepaids and other current assets	$211,703	($51,615)
Payables and accrued liabilities	($1,630,674)	$135,177
Deferred revenue	($1,472,152)	($142,515)
Employee future benefit expense (recovery)	$0	$0
Other (describe)		($81,749)
Total sources (uses) of cash from Operations	($889,178)	$1,298,667
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($878,388)	($4,869)
Buildings	($4,262,988)	($4,072,414)
Equipment	($676,160)	($987,383)
Vehicles	($1,094,050)	($1,115,991)
Net proceeds from disposal of capital assets	$76,750	$54,302
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($6,834,836)	($6,126,355)
C. FINANCING ACTIVITIES		
Capital allocations received	$4,434,329	$2,345,254
Issue of long term debt	$0	$0
Repayment of long term debt	($1,333,660)	($1,333,660)
Add back: supported portion	$1,333,660	$1,333,660
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$4,434,329	$2,345,254
Net sources (uses) of cash equivalents* during year	($3,289,685)	($2,482,434)
Cash Equivalents at the beginning of the year	$13,027,185	$15,509,619
Cash Equivalents at the end of the year	$9,737,500	$13,027,185

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 3345

STATEMENT OF CHANGES IN NET ASSETS

for the Year Ended August 31, 2003

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS Columns 5 to 15	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$15,268,905	$7,830,095	$379,053	$7,059,757	$2,695,178	$145,669	$110,662	$0	$184,111	$45,044	$1,584,987	$219,902	$2,074,204	$0	$0
Prior period adjustments (describe)															
	$0			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$15,268,905	$7,830,095	$379,053	$7,059,757	$2,695,178	$145,669	$110,662	$0	$184,111	$45,044	$1,584,987	$219,902	$2,074,204	$0	$0
Surplus(def) of revenue over expenses	$943,188		$943,188												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$5,050,957	$0	($5,050,957)	$0	($590,056)	$0		($79,507)	$0	($1,929,311)	$0	($2,452,083)	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($2,572,689)	$2,572,689												
Amortization of capital allocations		$1,398,042	($1,398,042)												
Disposal of unsupported capital assets	$0	$0	($76,750)	$76,750		$29,250			$26,750		$0		$20,750		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($474,539)	$474,539	$171,139		$0			$303,400		$0		$0	
Net transfers from operating reserves			$99,399	($99,399)	$0		($48,036)			($45,000)		($6,383)		$0	
Net transfers to capital reserves			($1,885,167)	$1,885,167		$510,847			$40,322		$360,989		$973,009		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$16,212,093	$11,706,405	$159,831	$4,345,857	$2,866,317	$95,710	$62,626	$0	$171,676	$303,444	$16,665	$213,539	$615,880	$0	$0

School Jurisdiction Code: 3345

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$748,751	$11,832,442
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$748,751	$11,832,442
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$4,377,644	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$51,685	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$5,000	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$1,333,660
Expended capital allocations - current year		($1,880,464)	$1,880,464
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,398,042
Balance at August 31, 2003		$3,302,616	$13,648,524

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations, which are then amortized to revenue on the same basis as the amortization of the capital asset acquired.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

Inventory

Inventory is recorded at the lower of cost and net realizable value.

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Capital Assets

Capital assets with a cost greater than $5,000 are recorded at cost. Rates of amortization applied on a straight line basis to write off the cost of capital assets over their estimated useful lives are as follows:

Buildings	25 to 40 years
Equipment	25 years
Vehicles	8 to 11 years

No amortization is recorded in the year of acquisition.

When capital assets are sold or scrapped, the cost of the asset and the related accumulated amortization are removed from the accounts and any resulting gain or loss on disposal is reflected in income. Full amortization is recorded in the year of disposition.

School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Peace Wapiti School Board No. 33 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $149,186 for the year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported a deficit of $444,980,000 (2001 - $634,960,000).

Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Employee Future Benefits

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustee Act*.

Measurement Uncertainty

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

3. ACCOUNTS RECEIVABLE

	2003	2002
Province of Alberta	$ 1,688,013	$ 1,792,710
Federal Government and/or First Nations	168,072	126,492
Other (net after allowance)	203,956	101,699
	$ 2,060,041	$ 2,020,901

4. LONG-TERM DEBT

	2003	2002
Debentures	$ 12,400,551	$ 13,734,210
Less current portion	1,333,660	1,333,660
	$ 11,066,891	$ 12,400,550

The debenture debt bears interest at rates varying between 8.0% and 12.0%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years are as follows:

4 LONG-TERM DEBT - continued

	Principal	Interest	Total
2004	$ 1,333,660	$ 1,279,759	$ 2,613,419
2005	$ 1,287,491	$ 1,140,370	$ 2,427,861
2006	$ 1,287,491	$ 1,005,657	$ 2,293,148
2007	$ 1,280,015	$ 870,944	$ 2,150,959
2008	$ 1,274,682	$ 737,017	$ 2,011,699

5 CONTINGENCIES

Contingent Asset

The jurisdiction is a member of a reciprocal insurance exchange called the Alberta School Board Insurance Exchange (ASBIE). A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

Contingent Liability

Under the terms of membership of ASBIE, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

ALARIE was dissolved effective December 31, 2002. The school board became a member of the Alberta School Boards Insurance Exchange (ASBIE) on January 1, 2003.

Economic Dependence on Third Party

The school jurisdiction's primary source of income is from the Alberta Government. The school jurisdiction's ability to continue viable operations is dependent on this funding.

6 BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

7 DEFFRRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

8 UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

PEACE WAPITI SCHOOL BOARD NO. 33
NOTES TO THE AUDITED FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2003

[illegible] COMMITMENTS

The school jurisdiction has entered into personnel contracts with its executive management team. In the event that these contracts are cancelled or not renewed by the Board, there could be a liability incurred as per the termination clauses in the executive contracts.

[illegible] COMPARATIVE FIGURES

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code 3345

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin.	External Services
Alberta Learning allocations									
(1) Instruction block	$29,362,699	$1,309,609	$28,053,090						
(2) Support block	$6,990,626				$5,320,667			$1,669,959	
(3) Instruction & support block reallocations	$0	$0	($173,365)		$173,365			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$683,649	$0	$683,649						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,269,000	$34,112	$1,221,500					$13,388	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$441,678	$0	$441,678	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$38,747,652	$1,343,721	$30,226,552	$0	$5,494,032			$1,683,347	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$508,510	$0	$0	$508,510					
(13) Operations & Maintenance support	$4,028,063			$4,028,063					
(14) Operations & Maintenance support (One-Time)	$212,785			$212,785					
(15) **Total Alberta Infrastructure Revenue**	$4,749,358	$0	$0	$4,749,358					
(16) **Alberta Finance**	$1,336,344			$1,336,344	$0			$0	$0
(17) **Other - Government of Alberta**	$113,983	$0	$102,744	$77	$8,167			$2,995	$0
(18) **Federal Government and/or First Nations**	$823,965	$40,183	$750,142	$0	$0			$33,640	$0
(19) **Other Alberta school authorities**	$123,455	$0	$85,017	$0	$36,900			$1,538	$0
(20) **Out of province authorities**	$279,964	$0	$213,729	$0	$56,703			$9,532	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$82,878	$0	$35,700	$0	$45,457			$1,721	$0
(22) **Instruction resource fees**	$421,900	$13,401	$408,499						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$465,966	$205	$335,953	$32,383	$20,307			$14,643	$62,475
(25) **Investment income**	$598,585	$0	$244,455	$33,997	$48,529			$271,604	$0
(26) **Gifts and donations**	$157,013	$0	$157,013	$0	$0				$0
(27) **Rentals of facilities**	$83,520		$0	$0	$75,780			$7,740	$0
(28) **Net school generated funds**	$1,011,110		$1,011,110					$0	
(29) **Gains on disposal of capital assets**	$76,750		$29,250	$26,750	$20,750			$0	$0
(30) **Amortization of capital allocations**	$1,398,042		$0	$1,398,042	$0				$0
(31) **TOTAL REVENUES**	$50,470,485	$1,397,510	$33,600,164	$7,576,951	$5,806,625			$2,026,760	$62,475
EXPENSES									
(32) **Certificated salaries**	$21,806,748	$586,243	$20,990,425				$230,080	$230,080	$0
(33) **Certificated benefits**	$2,537,287	$68,119	$2,451,282				$17,886	$17,886	$0
(34) **Uncertificated salaries and wages**	$8,511,354	$439,831	$3,771,119	$701,854	$2,882,366	$110,960	$605,224	$716,184	$0
(35) **Uncertificated benefits**	$1,843,495	$68,939	$806,372	$138,495	$698,942	$33,653	$97,094	$130,747	$0
(36) **SUB - TOTAL**	$34,698,884	$1,163,132	$28,019,198	$840,349	$3,581,308	$144,613	$950,284	$1,094,897	$0
(37) **Services, contracts & supplies**	$9,906,475	$163,537	$3,517,022	$4,109,415	$1,524,325	$98,672	$384,848	$483,520	$108,656
(38) **Cost recoveries & transfers (must balance to zero)**	$1	($17,351)	$326,639	($119,020)	($212,766)	$1,700	$66,980	$68,680	($46,181)
(39) **Net school generated funds**	$1,011,110		$1,011,110						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,398,042	$0	$0	$1,398,042	$0		$0	$0	$0
(41) Unsupported	$1,174,647	$0	$243,961	$59,856	$818,504	$0	$52,326	$52,326	$0
(42) Total Amortization	$2,572,689	$0	$243,961	$1,457,898	$818,504	$0	$52,326	$52,326	$0
Interest on capital debt									
(43) Supported	$1,336,341	$0	$0	$1,336,341	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$1,797	$0	$0	$0	$0		$1,797	$1,797	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$49,527,297	$1,309,318	$33,117,930	$7,624,983	$5,711,371	$244,985	$1,456,235	$1,701,220	$62,475
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$943,188	$88,192	$482,234	($48,032)	$95,254			$325,540	$0
Applicable student numbers/FTE equivalent	5,737.0	193	5,263.0	5,051.0	4,620			5,737.0	
AVERAGE PROGRAM COSTS per student	$8,633	$6,784	$6,293	$1,510	$1,236			$297	

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$17,079,428	$1,869,947	$0	$1,088,438	$458,553	$494,059	$0	$20,990,425
Certificated benefits	$2,019,901	$193,039	$0	$128,295	$54,984	$55,063	$0	$2,451,282
Uncertificated salaries and wages	$898,421	$1,302,347	$0	$262,677	$1,206,569	$101,105	$0	$3,771,119
Uncertificated benefits	$224,634	$302,744	$0	$47,024	$214,222	$17,748	$0	$806,372
SUB - TOTAL REMUNERATION	$20,222,384	$3,668,077	$0	$1,526,434	$1,934,328	$667,975	$0	$28,019,198
Services, contracts & supplies	$3,035,523	$207,989	$0	$90,591	$168,737	$14,182	$0	$3,517,022
Cost recoveries & transfers	$179,690	$132,603	$0	$4,938	$7,916	$1,492	$0	$326,639
Net school generated funds	$1,011,110							$1,011,110
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	243,961.00	$0	$0					$243,961
Total Amortization	$243,961	$0	$0					$243,961
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$24,692,668	$4,008,669	$0	$1,621,963	$2,110,981	$683,649	$0	$33,117,930
FTE Certificated				15.9	6.7			
FTE Uncertificated				13.2	60.7			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$22,339,874	$2,248,767	$2,964,776	($173,365)	$27,380,052	$23,914,456	$3,465,596
School Admin & Instruction Support Expenses						$4,008,669	($4,008,669)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$22,339,874	$2,248,767	$2,964,776	($173,365)	$27,380,052	$27,923,125	($543,073)
Sub-Programs & Initiatives							
Severely Disabled	$1,208,643		$0		$1,208,643	$2,110,981	($902,338)
English as a Second Language	$62,216				$62,216	$60,206	$2,010
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$82,352		$0		$82,352	$82,373	($21)
Institutional Programs	$117,750				$117,750	$148,483	($30,733)
Sparsity & Distance	$3,634,700				$3,634,700		$3,634,700
Growth & Density	$60,555				$60,555		$60,555
Teacher Assistants Program	$103,093				$103,093	$312,965	($209,872)
Early Literacy Initiative (K-2)	$183,579				$183,579	$181,337	$2,242
Learning Resources Credit & Resources for the Classroom	$46,672	$98,060	$408,499		$553,231	$1,707,299	($1,154,068)
Technology Integration	$19,511		$0		$19,511	$370,236	($350,725)
French Language Program & Francisation (all jurisdictions)	$6,440		$0		$6,440	$0	$6,440
Home Education	$187,705		$337		$188,042	$220,925	($32,883)
Total Sub-Programs & Initiatives	$5,713,216		$408,836		$6,220,112	$5,194,805	$1,025,307
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$28,053,090	$2,346,827	$3,373,612	($173,365)	$33,600,164	$33,117,930	$482,234

School Jurisdiction Code: 3345

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,309,609	$28,053,090		$5,320,667	$1,669,959	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Not	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		($173,365)		$173,365		
Calculation: 2% of *$29,362,699* = *$587,254* *($173,365)*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	($173,365)		$173,365	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 3345

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$29,343,188
Support Block - Transportation	$5,320,667
SUBTOTAL	$34,663,855

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$4,028,063
Teacher Salary Enhancement	$1,269,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$113,983
Federal government/First Nations	$823,965
Other Alberta school authorities	$123,455
Out of province local authorities	$279,964
Alberta municipalities	$82,878
Other sales and services	$465,966
Interest on investments	$598,585
Rentals of facilities	$83,520
Gains on disposal of capital assets	$76,750
Amortization of capital allocations	$1,398,042
School generated funds (Schedule E)	$1,511,962
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$45,519,988**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o = 4%	**4.41%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	$2,005,611

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0

(If none of these considerations apply, leave the above cells blank)

MAXIMUM EXPENSE LIMIT	**$2,005,611**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,701,220
PLUS: transfers to Restricted - Operating (Board/System Administration)	$303,400
LESS: transfers from Restricted - Operating (Board/System Administration)	-$45,000
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,959,620
Maximum Expense Limit for Board & System Administration (Step 3)	$2,005,611
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$45,991

School Jurisdiction Code: 3345

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1)		$825,408
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,511,962	
Less: SGF - related cost recoveries (Note 3)	$571,340	
- capitalized at the District level (Note 4)	$0	
Net Total	$940,622	
Plus: Donations Received (Note 5)	$50,904	
Equals: Net Additions to SGF		$991,526
Net SGF Available for discretionary spending		$1,816,934
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$1,011,110
Unexpended SGF - Closing Balance August 31, 2003		$805,824

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 3345

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$117,002	$371,515	$0	$43,104	$170,233	$701,854		$701,854
Uncertificated benefits	$26,581	$76,880	$0	$0	$35,034	$138,495		$138,495
Sub-total Remuneration	$143,583	$448,395	$0	$43,104	$205,267	$840,349		$840,349
Contracted Services	$1,113,361	$502,623	$0	$630,826	$3,326	$2,250,136		$2,250,136
Supplies	$78,638	$262,928	$0	$47,364	$11,569	$400,499		$400,499
Electricity			$683,671			$683,671		$683,671
Natural Gas/Heating Fuel			$520,097			$520,097		$520,097
Sewer and Water			$94,286			$94,286		$94,286
Telecommunications			$8,271			$8,271		$8,271
Insurance					$152,455	$152,455		$152,455
Amortization of capital assets								
Supported							$1,398,042	$1,398,042
Unsupported						$59,856		$59,856
Total Amortization						$59,856	$1,398,042	$1,457,898
Interest on capital debt								
Supported							$1,336,341	$1,336,341
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($119,020)		($119,020)
TOTAL EXPENSES	$1,335,582	$1,213,946	$1,306,325	$721,294	$372,617	$4,890,600	$2,734,383	$7,624,983
SQUARE METRES								
School Buildings								77,092.0
Non School Buildings								4,000.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 3345

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mrs. Lynne Phillips	1.0	$19,596	$1,909	$631	$0	$0	$22,136	$5,861
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Mrs. Debra Balderston	1.0	$11,192	$3,121	$0	$0	$0	$14,313	$2,788
Name	Mrs. Olive Emerson	1.0	$13,897	$4,302	$0	$0	$0	$18,199	$5,332
Name	Mrs. Sonia Ens	1.0	$11,479	$4,089	$315	$0	$0	$15,883	$1,977
Name	Dr. Jackie Lee	1.0	$11,100	$4,161	$473	$0	$0	$15,734	$2,160
Name	Mr. James Robertson	1.0	$11,199	$1,152	$315	$0	$0	$12,666	$1,795
Name	Ms. Christine Schlief	1.0	$10,258	$3,870	$158	$0	$0	$14,286	$1,312
Name	Mr James Sherman	1.0	$10,707	$3,200	$631	$0	$0	$14,538	$1,565
Name	Mrs. Anne Shumard	1.0	$10,572	$4,350	$473	$0	$0	$15,395	$544
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*9.0*	*$110,000*	*$30,154*	*$2,996*	*$0*	*$0*	*$143,150*	*$23,334*
Superintendent	Dr. Darwin Eckstrom	1.0	$117,000	$9,245	$0	$0	$0	$126,245	$6,979
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Mrs. JoAnn Vanstone	1.0	$45,249	$8,837	$0	$0	$0	$54,086	$1,963
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Mrs. Leslie Cage	1.0	$80,000	$12,872	$0	$0	$0	$92,872	$5,299
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		0.0	$21,689,748	$2,528,042	$0	$0	$0	$24,217,790	
Uncertificated Salaries & Wages		0.0	$8,276,106	$1,791,633	$0	$0	$0	$10,067,739	
TOTALS			**$30,318,103**	**$4,380,783**	**$2,996**	**$0**	**$0**	**$34,701,882**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 3345

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1175

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

PEMBINA HILLS REGIONAL DIVISION NO. 7
Name of School Jurisdiction

5310 49 Street Barrhead, AB T7N 1P3
Mailing Address

Telephone: (780)674-8500 Fax: (780)674-3262
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules PEMBINA HILLS REGIONAL DIVISION NO. 7
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Clayton Jespersen
Name

"Original signed by"
Signature

SUPERINTENDENT

David Panas
Name

"Original signed by"
Signature

SECRETARY TREASURER OR TREASURER

Tracy J. Meunier, CGA
Name

"Original signed by"
Signature

November 12, 2003
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 1175

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Clews & Shoemaker
CHARTERED ACCOUNTANTS
Graham Rex Clews Professional Corporation ◆ John S. Shoemaker Professional Corporation

AUDITOR'S REPORT

To the Board of Trustees of the Pembina Hills Regional Division No. 7:

We have audited the statement of financial position of Pembina Hills Regional Division No. 7 as at August 31, 2003, and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Pembina Hills Regional Division No. 7 as at August 31, 2003, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with the Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Clews & Shoemaker

CHARTERED ACCOUNTANTS

Westlock, Alberta
November 5, 2003

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School Jurisdiction Code: 1175

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$5,495,512	$7,774,492
Accounts receivable (net after allowances)		$1,332,313	$1,426,937
Prepaid expenses		$246,165	$405,043
Other current assets		$347,061	$347,999
Total current assets		$7,421,051	$9,954,471
School generated assets		$435,026	$459,634
Trust assets		$564,341	$612,514
Long term accounts receivable		$0	$0
Capital assets			
Land		$512,834	$512,834
Buildings	$37,305,151		
Less: accumulated amortization	($20,518,867)	$16,786,284	$17,483,126
Equipment	$119,611		
Less: accumulated amortization	($44,937)	$74,674	$98,597
Vehicles	$5,915,764		
Less: accumulated amortization	($3,489,568)	$2,426,196	$2,214,589
Total capital assets		$19,799,988	$20,309,146
TOTAL ASSETS		$28,220,406	$31,335,765
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,813,719	$1,607,374
Deferred revenue		$1,051,045	$3,088,368
Deferred capital allocations		$0	$35,144
Current portion of all long term debt		$976,059	$1,024,164
Total current liabilities		$3,840,823	$5,755,050
School generated liabilities		$435,026	$459,634
Trust liabilities		$564,341	$612,514
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$8,421,251	$9,445,416
Less: Current portion of supported debt		($976,059)	($1,024,164)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$7,809,097	$7,529,591
Total long term liabilities		$16,253,656	$17,022,991
TOTAL LIABILITIES		$20,094,479	$22,778,041
NET ASSETS			
Unrestricted net assets		$903,069	$903,069
Operating Reserves		$2,690,854	$3,361,246
Accumulated Operating Surplus (Deficit)		$3,593,923	$4,264,315
Investment in capital assets		$3,569,639	$3,334,140
Capital Reserves		$962,365	$959,269
Total Capital Funds		$4,532,004	$4,293,409
Total net assets		$8,125,927	$8,557,724
TOTAL LIABILITIES AND NET ASSETS		$28,220,406	$31,335,765

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1175

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$33,265,028	$30,912,392	$32,929,503
Alberta Infrastructure	$3,309,663	$3,145,676	$1,861,463
Alberta Finance	$1,517,433	$1,883,826	$1,699,322
Other Government of Alberta	$10,000	$89,644	$155,191
Federal Government and/or First Nations	$71,842	$21,410	$47,087
Other Alberta school authorities	$15,722	$0	$3,402
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$14,210	$14,500	$14,210
Instruction resource fees	$361,777	$257,409	$380,727
Transportation fees	$100,376	$108,000	$106,067
Other sales and services	$873,184	$782,648	$855,390
Investment income	$503,836	$251,040	$348,458
Gifts and donations	$3,849	$0	$12,574
Rentals of facilities	$48,445	$51,213	$41,542
Net school generated funds	$808,802	$712,813	$783,328
Gains on disposal of capital assets	$11,702	$2,000	$5,990
Amortization of capital allocations	$890,261	$865,897	$877,465
Total Revenues	$41,806,130	$39,098,468	$40,121,719
EXPENSES			
Certificated salaries	$17,296,872	$15,662,228	$15,984,401
Certificated benefits	$2,297,702	$2,055,800	$1,902,668
Uncertificated salaries and wages	$7,548,851	$6,898,140	$6,920,163
Uncertificated benefits	$1,471,316	$1,500,280	$1,358,467
Services, contracts and supplies	$9,978,886	$9,138,096	$9,446,798
Net school generated funds	$808,802	$712,813	$783,328
Capital and debt services			
Amortization of capital assets			
Supported	$890,261	$865,897	$889,056
Unsupported	$420,049	$408,909	$379,486
Total Amortization of capital assets	$1,310,310	$1,274,806	$1,268,542
Interest on capital debt			
Supported	$1,517,432	$1,883,826	$1,699,322
Unsupported	$0	$0	$0
Total interest on capital debt	$1,517,432	$1,883,826	$1,699,322
Other interest charges	$3,455	$12,682	$4,247
Losses on disposal of capital assets	$4,301	$0	$7,206
Total Expenses	$42,237,927	$39,138,671	$39,375,142
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($431,797)	($40,203)	$746,577
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($431,797)	($40,203)	$746,577

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1175

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($431,797)	$746,577
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($890,261)	($877,465)
Total amortization expense	$1,310,310	$1,268,542
Gains on disposal of capital assets	($11,702)	($5,990)
Losses on sale of capital assets	$4,301	$7,206
Changes in accrued accounts:		
Accounts receivable	$94,624	$1,652,745
Prepaids and other current assets	$159,816	($283,498)
Payables and accrued liabilities	$206,345	$272,658
Deferred revenue	($2,037,323)	$316,714
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,595,687)	$3,097,489
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($211,839)	($658,096)
Equipment	$0	($79,819)
Vehicles	($595,362)	($529,160)
Net proceeds from disposal of capital assets	$13,450	$5,990
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($793,751)	($1,261,085)
C. FINANCING ACTIVITIES		
Capital allocations received	$110,459	$0
Issue of long term debt	$0	$0
Repayment of long term debt	($1,024,165)	($1,088,158)
Add back: supported portion	$1,024,164	$1,088,158
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$110,458	$0
Net sources (uses) of cash equivalents* during year	($2,278,980)	$1,836,404
Cash Equivalents at the beginning of the year	$7,774,492	$5,938,088
Cash Equivalents at the end of the year	$5,495,512	$7,774,492

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1175

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 15)	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$8,557,724	$3,334,140	$903,069	$4,320,515	$2,512,553	$0	$41,141	$0	$99,213	$226,889	$244,596	$123,603	$615,460	$457,060	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$8,557,724	$3,334,140	$903,069	$4,320,515	$2,512,553	$0	$41,141	$0	$99,213	$226,889	$244,596	$123,603	$615,460	$457,060	$0
Surplus(def) of revenue over expenses	($431,797)		($431,797)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$661,598	$0	($661,598)	$0	$0	$0		($32,505)	($66,236)	$0	$0	($562,857)	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,310,310)	$1,310,310												
Amortization of capital allocations		$890,261	($890,261)												
Disposal of unsupported capital assets	$0	($6,050)	$6,050	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($179,668)	$179,668	$12,845		$3,578			$31,083		$132,162		$0	
Net transfers from operating reserves			$783,824	($783,824)	($390,089)		$0			$0		($209,125)		($184,610)	
Net transfers to capital reserves			($598,458)	$598,458		$0			$35,601		$0		$562,857		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$8,125,927	$3,569,639	$903,069	$3,653,219	$2,135,309	$0	$44,719	$0	$102,309	$191,736	$244,596	$46,640	$615,460	$272,450	$0

School Jurisdiction Code: 1175

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$35,144	$7,529,591
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$35,144	$7,529,591
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$110,459	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$1,024,164
Expended capital allocations - current year		($145,603)	$145,603
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$890,261
Balance at August 31, 2003		$0	$7,809,097

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

PEMBINA HILLS REGIONAL DIVISION NO. 7

Notes to the Financial Statements
For the Year Ended August 31, 2003

1. AUTHORITY AND PURPOSE

Pembina Hills Regional Division No. 7 delivers education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared with reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight line basis, at the following rates:

Buildings	2.5% to 4%
Equipment & Furnishings	10% to 20%
Vehicles & Buses	10% to 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (eg. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit. Accumulated sick leave is not recorded as it is not paid to the employee if not taken.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Pembina Hills Regional Division No. 7 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $120,023for the year ended August 31, 2003 (2002 = $106,747). At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2001 surplus of $634,960,000).

f) Inventories

Inventories are recorded at the lesser of cost and estimated net realizable value.

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools within Pembina Hills Regional Division No. 7 to ensure that certain program are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

The jurisdiction's financial statements consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k) Employee Future Benefits

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/01 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

PEMBINA HILLS REGIONAL DIVISION NO. 7
Notes to the Financial Statements
For the Year Ended August 31, 2003

3. ACCOUNTS RECEIVABLE

	2003	2002
Provincial Government	$813,165	$737,538
Federal Government	92,702	149,813
Other Alberta School Jurisdictions	0	76,855
Alberta Municipalities	8,983	0
Due from Alberta Distance Learning Centre	0	108,908
Other	417,463	353,823
Total	**$1,332,313**	**$1,426,937**

4. INVENTORIES

	2003	2002
Cafeteria food and supplies	$3,239	$1,927
Bus garages parts and tires	242,333	227,228
Maintenance shops supplies	92,539	109,395
	$338,111	**$338,550**

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	2003 Net Book Value	2002 Net Book Value
Land	$512,834	$0	$512,834	$512,834
Buildings	37,305,151	20,518,867	16,786,284	17,483,126
Equipment	119,611	44,937	74,674	98,597
Vehicles	5,915,764	3,489,568	2,426,196	2,214,589
	$43,853,360	**$24,053,372**	**$19,799,988**	**$20,309,146**

6. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $2,000,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2003.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2003	2002
Province of Alberta	$802,655	$606,416
Federal Government	7,826	4,919
Alberta Municipalities	0	0
Due from Alberta Distance Learning Centre	528,270	0
Other Trade Payables and Accrued Liabilities	474,968	996,039
	$1,813,719	$1,607,374

8. DEFERRED REVENUE

	2003	2002
Technology Integration Funding	$40,660	$24,204
One Time Grant Funding 1999	0	535,426
One Time Funding 2002-03	0	163,287
One Time Funding 2003-04 (Transportation)	64,800	0
One Time Funding 2003-04 (Operations & Maintenance)	67,633	0
First Nations, Metis & Inuit Education Funding	30,037	0
Alberta Initiative for School Improvement	0	159,119
Early Literacy Initiative	28,471	0
2003 BQRP	15,812	212,773
AMFC Dividend (to be used for increased energy costs)	0	209,199
Alberta Online Consortium - Funding and registration fees	756,764	1,719,531
Other	46,868	64,829
	$1,051,045	$3,088,368

9. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded. Details of the changes in the deferred capital allocations account are as follows:

	2003	2002
Beginning balance	$35,144	$693,239
Allocations received & receivable during the year	110,459	0
Transfers to Unamortized Capital Allocations (note #10)	(145,603)	(658,095)
	$0	$35,144

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account. Details of the changes to the account are as follows:

	2003	2002
Balance, beginning of year	$7,529,591	$6,660,803
Additions: supported debenture principal repayments	1,024,164	1,088,158
Transfer from Deferred Capital Allocations (note 9)	145,603	658,095
Deductions: capital allocation revenue	(890,261)	(877,465)
Balance, end of year	**$7,809,097**	**$7,529,591**

11. TRUST ASSETS AND LIABILITIES

The following balances represent cash that is held in trust by the jurisdiction for the following areas:

	2003	2002
Aspen Student Health Initiative Partnership	$471,648	$529,207
Fort Assiniboine School - Playground project	15,616	20,000
Deferred Salary Leave	4,904	0
Endowment funds for scholarships	72,173	63,307
	$564,341	**$612,514**

12. LONG-TERM DEBT

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount.

	2003	2002
Debentures	$8,421,252	$9,445,416
Less: current portion	976,059	1,024,164
Long term portion	**$7,445,193**	**$8,421,252**

Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2003-2004	$976,059	$907,005	$1,883,064
2004-2005	927,494	801,064	1,728,558
2005-2006	901,191	699,367	1,600,558
2006-2007	894,010	600,586	1,494,596
2007-2008	853,991	502,594	1,356,585
2008 to maturity	3,868,507	1,513,331	5,381,838
	$8,421,252	**$5,023,947**	**$13,445,199**

13. SCHOOL GENERATED FUNDS

	2003	2002
Balance, Beginning of Year	$459,634	$476,622
Source of School Generated Funds (SGF)		
SGF for the year	1,109,619	1,112,205
Less: Costs of generating SGF	(363,140)	(388,811)
Donations received	37,715	42,946
Net SGF available for the year	1,243,828	1,242,962
Application of Net SGF		
Less: Net SGF expended for the year	(808,802)	(783,328)
Balance, End of Year	$435,026	$459,634

14. UNRESTRICTED AND INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	Balance, beginning of year	Appropriated during the year	Utilized during the year	Balance, end of year
Unrestricted	$903,069	$0	$0	$903,069
Internally Restricted:				
Operating Reserves				
Schools	2,512,553	12,844	390,089	2,135,308
Operations and Maintenance	41,141	3,578	0	44,719
Board and System Administration	226,889	31,083	66,236	191,736
Transportation	123,603	132,162	209,125	46,640
External Services	457,060	0	184,610	272,450
	3,361,246	179,667	850,060	2,690,853
Capital Reserves				
Buildings (supported)	50,419	0	0	50,419
Equipment	244,596	0	0	244,596
Vehicles	664,254	598,458	595,361	667,351
	959,269	598,458	595,361	962,366
Total Reserves	$4,320,515	$778,125	$1,445,421	$3,653,219
Total Unrestricted and Internally Restricted Net Assets	$5,223,584	$778,125	$1,445,421	$4,556,288

15. ALLOCATIONS FROM THE PROVINCE OF ALBERTA (Related Third Party Transactions)

Allocations from the Province of Alberta are summarized as follows:

	2003 Actual	2003 Budget	2002 Actual
Operating allocations:			
Alberta Learning	$33,265,028	$30,912,392	$32,929,503
Alberta Infrastructure	3,309,663	3,145,676	1,861,463
Alberta Finance	1,517,433	1,883,826	1,699,322
Other Government of Alberta	10,000	89,644	155,191
	$38,102,124	**$36,031,538**	**$36,645,479**

16. TOTAL EXPENSES BY PROGRAM

	2003 Actual	2003 Budget	2002 Actual
Early childhood services	$1,577,256	$1,092,261	$1,323,254
Student instruction	26,434,951	24,620,862	24,236,607
School generated funds	808,802	712,813	783,328
Operations & maintenance of schools	6,007,949	6,016,887	6,380,447
Student Transportation	4,177,504	4,256,713	3,894,745
Board and System Administration (see note below)	1,505,862	1,432,095	1,402,040
External services	1,697,132	1,007,040	1,354,721
	$42,209,456	**$39,138,671**	**$39,375,142**

Note - Re: Board and System Administration expenses
Effective June 2, 1997, Pembina Hills Regional Division No. 7 assumed responsibility for the operation of the Alberta Distance Learning Centre from the Department of Education. The Board and System Administration of Pembina Hills charge their subsidiary, ADLC, a management services fee to provide them with Board and System Administration services. The fee is calculated at 4% (2001/02 - 5%) of ADLC's revenue and is netted out of Pembina Hills' Board and System Administration expenses. For the year ended August 31, 2003, the management services fee amounted to $315,253 which can be broken down as follows:

	2003 (4%)	2002 (5%)
Board governance fees	$15,000	$23,000
Benefits - board governance	4,000	5,000
Travel & board planning	0	5,000
Certificated salaries	107,588	140,000
Uncertificated salaries	118,000	183,000
Benefits - system administration	50,000	40,000
Services, contracts and supplies	20,665	31,273
	$315,253	$427,273

17. VISTA VIRTUAL SCHOOL

Pembina Hills Regional Division No. 7 operates a virtual school, known as the Vista Virtual School, under the authority of the School Act and contracts its subsidiary, the Alberta Distance Learning Centre, to provide the educational services for students registered. Pembina Hills' records the funding received from the virtual school and includes the student count in their jurisdiction count. The amount of funding transferred to ADLC is recorded as an expense to Pembina Hills. ADLC nets the amount transferred from Pembina Hills for the virtual school against their expenses.

For 2002/03 there were 624 funded students registered with Vista Virtual School. Many of the Vista Virtual students are in grades 11 and 12, returing to high school and taking only one (1) to two (2) courses each. Of the 624 funded funding Vista Virtual students in 2002/03, it is estimated that there was 264 core Full Time Equivalent students.

The total amount of funding transferred in 2002/03 from Pembina Hills to ADLC for the educational services of Vista Virtual students is as follows:

Certificated Salaries, Student Instruction	$569,179
Certificated Benefits, Student Instruction	73,735
Contracts, Services & Supplies, Student Instruction	325,984
Certificated Salaries, School Admin. & Instruction Support	232,846
Certificated Benefits, School Admin. & Instruction Support	29,752
Uncertificated Salaries, School Admin. & Instruction Support	51,743
Uncertificated Benefits, School Admin. & Instruction Support	10,349
	$1,293,588

18. DISCLOSURE OF SALARIES AND BENEFITS

	No.	Salaries and Wages	Benefits/Allow./ ERIP's/Other	Total	Expenses
Board of Trustees:					
Chairman					
C. Jespersen	1	$22,230	$4,325	$26,555	$4,113
Board Members					
G. Borg	1	11,509	4,007	15,516	2,714
L. Hodge	1	14,207	291	14,498	3,196
M. Kubinec	1	11,864	3,991	15,855	2,225
K. Nagel	1	15,841	950	16,791	7,631
J. Venables	1	18,183	3,318	21,501	5,062
S. Volorney	1	18,183	1,604	19,787	3,526
Superintendent				-	
S. Schmold	1	115,365	51,382	166,747	5,227
Secretary Treasurer				-	
T. Meunier	1	89,544	14,020	103,564	3,297
Cert. Salaries	241	17,181,507	2,246,320	19,427,827	
Uncert. Salaries	333	7,347,290	1,438,809	8,786,099	
		$24,845,723	**$3,769,017**	**$28,614,740**	

Note: - Re: Number of Employees
Number of certificated employees reported are full time equivalents as at September 30, 2002.
Number of uncertificated employees reported are total numbers as at September 30, 2002.

Note - Re: Salaries and Benefits for Trustees and designated System Administration:
Reported figures for Trustees and designated personnel include board and management services provided to ADLC (refer to note #16).

19. ONE TIME GRANT REVENUE

a) In 1999, Alberta Learning announced a One-Time Grant as a major investment in education. The jurisdiction's share of this One-Time funding was $1,496,025. There is $535,426 of these funds included in 2002/03 Revenue, listed under Alberta Learning - Other Revenue, representing the last of these funds available.

b) In the spring of 2003, Alberta Learning provided One Time funding to assist jurisdictions with rising fuel and other bus transportation cost pressures. To provide school boards maximum flexibility, boards will allowed to apply the funding to either the 2002/03 school year of the 2003/04 school year. Pembina Hills' portion of this One Time funding was $64,800 and is included as deferred revenue (refer to Note 8).

19. ONE TIME GRANT REVENUE (cont.)

c) On June 19, 2003, the Minister of Finance announced that Alberta Infrastructure would receive an additional $30 million for operations and maintenance in schools. Pembina Hills received $267,371 of this funding to address cost pressures in Plant Operations and Maintenance for school buildings. While the funding was approved for the 2003/04 school year, school jurisdictions were given the option to allocate a portion of the additional funding to the 2002/03 school year to address cost pressures that could result in a deficit in their operating and maintenance block for 2002/03. Pembina Hills utilized $199,738 of this one time funding in order to not encounter an operating deficit in 2002/03. The balance of the One Time Funding, $67,633 will be utilized in 2003/04 and is included as deferred revenue (refer to Note 8).

20. COMMITMENTS

The School Division has no major commitments for the ensuing fiscal year.

21. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

Pembina Hills Regional Division No. 7's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

22. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on June 12, 2002. It is presented for information purposes only and has not been audited.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 1175

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$23,919,343	$1,576,109	$22,343,234						
(2) Support block	$5,642,048				$4,166,342			$1,475,706	
(3) Instruction & support block reallocations	$0	($16,495)	$63,127		($46,632)			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$742,798	$0	$742,798						
(5) Student Health Initiative (SHI)	$356,049	$0	$335,116						$20,933
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,036,000	$0	$1,018,535					$17,465	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$1,568,790	$0	$535,426	$0	$0			$0	$1,033,364
(11) **Total Alberta Learning Revenue**	$33,265,028	$1,559,614	$25,038,236	$0	$4,119,710			$1,493,171	$1,054,297
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$196,961	$0	$0	$196,961					
(13) Operations & Maintenance support	$2,912,964			$2,912,964					
(14) Operations & Maintenance support (One-Time)	$109,738			$109,738					
(15) **Total Alberta Infrastructure Revenue**	$3,309,663	$0	$0	$3,309,663					
(16) **Alberta Finance**	$1,517,433			$1,517,433	$0			$0	$0
(17) **Other - Government of Alberta**	$10,000	$0	$10,000	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$71,842	$0	$71,842	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$15,722	$0	$15,722	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$14,210	$0	$14,210	$0	$0			$0	$0
(22) **Instruction resource fees**	$361,777	$17,645	$344,132						
(23) **Transportation fees**	$100,376				$100,376				
(24) **Other sales and services**	$873,184	$0	$342,987	$1,179	$67,903			$3,462	$457,653
(25) **Investment income**	$503,836	$0	$226,255	$245,861	$2,505			$28,643	$572
(26) **Gifts and donations**	$3,849	$0	$3,849	$0	$0				$0
(27) **Rentals of facilities**	$48,445		$6,097	$42,348	$0			$0	$0
(28) **Net school generated funds**	$808,802		$808,802					$0	
(29) **Gains on disposal of capital assets**	$11,702		$0	$1,204	$10,498			$0	$0
(30) **Amortization of capital allocations**	$890,261		$0	$890,261	$0				$0
(31) **TOTAL REVENUES**	$41,806,130	$1,577,259	$26,882,132	$6,007,949	$4,300,992			$1,525,276	$1,512,522
EXPENSES									
(32) **Certificated salaries**	$17,296,872	$684,937	$16,388,613				$223,322	$223,322	$0
(33) **Certificated benefits**	$2,287,702	$67,096	$2,184,935				$35,671	$35,671	$0
(34) **Uncertificated salaries and wages**	$7,548,851	$500,003	$3,842,683	$518,404	$1,756,787	$97,017	$517,447	$614,464	$316,510
(35) **Uncertificated benefits**	$1,471,316	$87,397	$700,502	$109,078	$419,529	$14,486	$96,223	$110,709	$44,101
(36) **SUB - TOTAL**	$28,614,741	$1,339,433	$23,126,733	$627,482	$2,176,316	$111,503	$872,663	$984,166	$360,611
(37) **Services, contracts & supplies**	$9,976,886	$237,826	$3,187,473	$2,925,804	$1,726,735	$103,298	$406,569	$509,867	$1,391,181
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$137,469	$0	($82,809)	$0	$0	$0	($54,660)
(39) **Net school generated funds**	$808,802		$808,802						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$890,261	$0	$0	$890,261	$0		$0	$0	$0
(41) Unsupported	$420,049	$0	$8,448	$46,970	$352,961	$0	$11,670	$11,670	$0
(42) Total Amortization	$1,310,310	$0	$8,448	$937,231	$352,961	$0	$11,670	$11,670	$0
Interest on capital debt									
(43) Supported	$1,517,432	$0	$0	$1,517,432	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$3,455	$0	$3,296	$0	$0		$159	$159	$0
(46) Losses on disposal of capital assets	$4,301	$0	$0	$0	$4,301	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$42,237,927	$1,577,258	$27,272,221	$6,007,949	$4,177,504	$214,801	$1,291,061	$1,505,862	$1,697,132
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($431,797)	$0	($390,089)	$0	$123,488			$19,414	($184,610)
Applicable student numbers/FTE equivalent		318	4,385.0	4,544.0	3,314			4,544.0	
AVERAGE PROGRAM COSTS per student	$0	$4,960	$6,219	$1,322	$1,261			$331	

School Jurisdiction Code: 1175

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$13,414,105	$1,158,044	$184,554	$783,085	$204,185	$493,888	$150,752	$16,388,613
Certificated benefits	$1,863,493	$150,752	$17,282	$89,364	$16,952	$30,623	$26,469	$2,194,935
Uncertificated salaries and wages	$451,892	$1,344,021	$56,662	$473,602	$1,312,046	$116,615	$87,845	$3,842,683
Uncertificated benefits	$64,020	$274,472	$9,632	$90,111	$240,121	$8,091	$14,055	$700,502
SUB - TOTAL REMUNERATION	$15,793,510	$2,927,289	$268,130	$1,436,162	$1,773,304	$649,217	$279,121	$23,126,733
Services, contracts & supplies	$1,837,716	$1,119,600	$0	$10,789	$69,793	$93,581	$55,994	$3,187,473
Cost recoveries & transfers	$137,469	$0	$0	$0	$0	$0	$0	$137,469
Net school generated funds	$808,802							$808,802
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$0	$8,448	$0					$8,448
Total Amortization	$0	$8,448	$0					$8,448
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$3,296						$3,296
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$18,577,497	$4,058,633	$268,130	$1,446,951	$1,843,097	$742,798	$335,115	$27,272,221
FTE Certificated				12.6	3.2			
FTE Uncertificated				27.2	80.4			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$19,447,751	$2,544,629	$1,499,764	$63,127	$23,555,271	$19,376,473	$4,178,798
School Admin & Instruction Support Expenses						$4,058,633	($4,058,633)
System Instruction Support Expenses						$268,130	($268,130)
Total Basic Instruction	$19,447,751	$2,544,629	$1,499,764	$63,127	$23,555,271	$23,703,236	($147,965)
Sub-Programs & Initiatives							
Severely Disabled	$1,495,486		$0		$1,495,486	$1,843,097	($347,611)
English as a Second Language	$48,778				$48,778	$50,829	($2,051)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$46,078		$0		$46,078	$46,078	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$642,018				$642,018		$642,018
Growth & Density	$202,351				$202,351		$202,351
Teacher Assistants Program	$82,194				$82,194	$129,801	($47,607)
Early Literacy Initiative (K-2)	$117,698				$117,698	$117,698	$0
Learning Resources Credit & Resources for the Classroom	$41,460	$87,246	$344,132		$472,838	$1,143,216	($670,378)
Technology Integration	$187,708		$0		$187,708	$206,554	($18,846)
French Language Program & Francisation (all jurisdictions)	$24,425		$0		$24,425	$24,425	$0
Home Education	$7,287		$0		$7,287	$7,287	$0
Total Sub-Programs & Initiatives	$2,895,483		$344,132		$3,326,861	$3,568,985	($242,124)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$22,343,234	$2,631,875	$1,843,896	$63,127	$26,882,132	$27,272,221	($390,089)

School Jurisdiction Code: 1175

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,576,100	$22,343,234		$4,166,342	$1,475,706	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of | *$23,919,343* | = | *$478,387* | *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$46,632		($46,632)		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	($16,495)	$16,495				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($16,495)	$63,127		($46,632)	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1175

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$23,731,635
Support Block - Transportation	$4,166,342
SUBTOTAL	$27,897,977
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,912,964
Teacher Salary Enhancement	$1,036,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$10,000
Federal government/First Nations	$71,842
Other Alberta school authorities	$15,722
Out of province local authorities	$0
Alberta municipalities	$14,210
Other sales and services	$873,184
Interest on investments	$503,836
Rentals of facilities	$48,445
Gains on disposal of capital assets	$11,702
Amortization of capital allocations	$890,261
School generated funds (Schedule E)	$1,109,619
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$35,395,762**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	**4.81%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,702,536
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,702,536**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,505,862
PLUS: transfers to Restricted - Operating (Board/System Administration)	$31,083
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,536,945
Maximum Expense Limit for Board & System Administration (Step 3)	$1,702,536
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$165,591

School Jurisdiction Code: 1175

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$459,634
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,109,619	
Less: SGF - related cost recoveries (Note 3)	$363,140	
- capitalized at the District level (Note 4)	$0	
Net Total	$746,479	
Plus: Donations Received (Note 5)	$37,715	
Equals: Net Additions to SGF		$784,194
Net SGF Available for discretionary spending		$1,243,828
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$808,802
Unexpended SGF - Closing Balance August 31, 2003		$435,026

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1175

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$428,514	$0	$7,242	$82,648	$518,404		$518,404
Uncertificated benefits	$0	$91,694	$0	$2,043	$15,341	$109,078		$109,078
Sub-total Remuneration	$0	$520,208	$0	$9,285	$97,989	$627,482		$627,482
Contracted Services	$808,556	$167,130	$0	$187,676	$16,131	$1,179,493		$1,179,493
Supplies	$58,581	$521,662	$0	$0	$7,752	$587,995		$587,995
Electricity			$569,866			$569,866		$569,866
Natural Gas/Heating Fuel			$408,808			$408,808		$408,808
Sewer and Water			$49,336			$49,336		$49,336
Telecommunications			$16,096			$16,096		$16,096
Insurance					$114,210	$114,210		$114,210
Amortization of capital assets								
Supported							$890,261	$890,261
Unsupported						$46,970		$46,970
Total Amortization						$46,970	$890,261	$937,231
Interest on capital debt								
Supported							$1,517,432	$1,517,432
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$867,137	$1,209,000	$1,044,106	$196,961	$236,082	$3,600,256	$2,407,693	$6,007,949
SQUARE METRES								
School Buildings								58,964.2
Non School Buildings								4,244.8

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electricty, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1175

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Clayton Jespersen	1.0	$22,230	$4,325	$0	$0	$0	$26,555	$4,113
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Gerry Borg	1.0	$11,509	$4,007	$0	$0	$0	$15,516	$2,714
Name	Laurie Hodge	1.0	$14,207	$291	$0	$0	$0	$14,498	$3,196
Name	Maureen Kubinec	1.0	$11,864	$3,991	$0	$0	$0	$15,855	$2,225
Name	Kenneth Nagel	1.0	$15,841	$950	$0	$0	$0	$16,791	$7,631
Name	Joyce Venables	1.0	$18,183	$3,318	$0	$0	$0	$21,501	$5,062
Name	Sharon Volomey	1.0	$18,183	$1,604	$0	$0	$0	$19,787	$3,526
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*7.0*	*$112,017*	*$18,486*	*$0*	*$0*	*$0*	*$130,503*	*$28,467*
Superintendent	Siegfried Schmold	1.0	$115,365	$8,120	$43,262	$0	$0	$166,747	$5,227
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Tracy Meurer	1.0	$89,544	$14,020	$0	$0	$0	$103,564	$3,297
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		241.2	$17,181,507	$2,094,151	$0	$0	$152,169	$19,427,827	
Uncertificated Salaries & Wages		333.1	$7,347,290	$1,410,632	$0	$0	$28,178	$8,786,100	
TOTALS			**$24,845,723**	**$3,545,409**	**$43,262**	**$0**	**$180,347**	**$28,614,741**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 1175

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1115

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Prairie Land Regional Division #25
Name of School Jurisdiction

Bag Service 1400, Hanna Alberta T0J 1P0
Mailing Address

Phone (403) 854-4481 or Fax (403) 854-2803
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Prairie Land Regional Division #25 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

John Neill	"Original Signed By"
Name	Signature

SUPERINTENDENT

Dr. Garry Andrews	"Original Signed By"
Name	Signature

SECRETARY TREASURER OR TREASURER

Allan Kallal, CMA	"Original Signed By"
Name	Signature

26-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 1115

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ELL & ANDERSON
CHARTERED ACCOUNTANTS
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[illegible] Anderson, B. Comm., C.A. *

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Auditor's Report

To the Board of Trustees
Prairie Land Regional Division #25

We have audited the statement of financial position of the Prairie Land Regional Division #25 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Ell & Anderson

HANNA, ALBERTA
NOVEMBER 11, 2003

CHARTERED ACCOUNTANTS

School Jurisdiction Code: 1115

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$6,294,519	$6,981,759
Accounts receivable (net after allowances)		$597,030	$519,426
Prepaid expenses		$83,727	$84,114
Other current assets		$0	$0
Total current assets		$6,975,276	$7,585,299
School generated assets		$260,282	$223,037
Trust assets		$676,253	$583,042
Long term accounts receivable		$0	$0
Capital assets			
Land		$574,670	$574,670
Buildings	$32,331,561		
Less: accumulated amortization	($12,972,691)	$19,358,870	$20,056,472
Equipment	$1,189,793		
Less: accumulated amortization	($451,887)	$737,906	$778,019
Vehicles	$4,236,209		
Less: accumulated amortization	($2,750,042)	$1,486,167	$1,780,401
Total capital assets		$22,157,613	$23,189,562
TOTAL ASSETS		$30,069,424	$31,580,940
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$789,957	$918,767
Deferred revenue		$723,140	$599,133
Deferred capital allocations		$0	$0
Current portion of all long term debt		$656,454	$683,904
Total current liabilities		$2,169,551	$2,201,804
School generated liabilities		$260,282	$223,037
Trust liabilities		$676,253	$583,042
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$4,239,084	$4,922,985
Less: Current portion of supported debt		($656,454)	($683,904)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$14,631,352	$14,711,786
Total long term liabilities		$19,150,517	$19,756,946
TOTAL LIABILITIES		$21,320,068	$21,958,750
NET ASSETS			
Unrestricted net assets		$136,175	$707,626
Operating Reserves		$3,898,011	$3,836,583
Accumulated Operating Surplus (Deficit)		$4,034,186	$4,544,209
Investment in capital assets		$3,287,188	$3,554,801
Capital Reserves		$1,427,982	$1,523,180
Total Capital Funds		$4,715,170	$5,077,981
Total net assets		$8,749,356	$9,622,190
TOTAL LIABILITIES AND NET ASSETS		$30,069,424	$31,580,940

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1115

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$15,155,480	$14,780,564	$15,992,726
Alberta Infrastructure	$1,329,833	$1,473,964	$1,120,365
Alberta Finance	$413,664	$687,330	$557,400
Other Government of Alberta	$15,195	$40,200	$13,656
Federal Government and/or First Nations	$7,064	$0	$4,824
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$167,114	$127,356	$174,110
Instruction resource fees	$155,913	$140,530	$178,642
Transportation fees	$0	$0	$0
Other sales and services	$100,258	$0	$89,158
Investment income	$229,061	$230,000	$215,936
Gifts and donations	$23,531	$0	$18,646
Rentals of facilities	$106,507	$120,000	$109,460
Net school generated funds	$328,933	$280,000	$250,521
Gains on disposal of capital assets	$83,041	$15,000	$41,050
Amortization of capital allocations	$764,338	$794,157	$793,121
Total Revenues	$18,879,932	$18,689,101	$19,559,615
EXPENSES			
Certificated salaries	$9,014,351	$8,515,000	$8,580,483
Certificated benefits	$978,494	$837,000	$937,981
Uncertificated salaries and wages	$3,821,983	$3,500,000	$3,702,305
Uncertificated benefits	$634,623	$550,000	$577,101
Services, contracts and supplies	$3,287,985	$3,635,380	$3,993,918
Net school generated funds	$328,933	$280,000	$250,521
Capital and debt services			
Amortization of capital assets			
Supported	$793,121	$794,157	$793,121
Unsupported	$513,350	$550,000	$523,223
Total Amortization of capital assets	$1,306,471	$1,344,157	$1,316,344
Interest on capital debt			
Supported	$413,664	$687,330	$476,464
Unsupported	$0	$0	$0
Total Interest on capital debt	$413,664	$687,330	$476,464
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$21,660	$0	$21,006
Total Expenses	$19,808,164	$19,348,867	$19,856,123
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($928,232)	($659,766)	($296,508)
Block BQRP revenue used for capital purposes	$55,398	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($872,834)	($659,766)	($296,508)

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1115

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($872,834)	($296,508)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($764,338)	($793,121)
Total amortization expense	$1,306,471	$1,316,344
Gains on disposal of capital assets	($83,041)	($41,050)
Losses on sale of capital assets	$21,660	$21,006
Changes in accrued accounts:		
Accounts receivable	($77,604)	$106,803
Prepaids and other current assets	$387	($42,997)
Payables and accrued liabilities	($128,810)	($204,108)
Deferred revenue	$124,007	($11,304)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($474,102)	$55,065
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($114,720)	$0
Equipment	($94,992)	($245,179)
Vehicles	($122,808)	($267,765)
Net proceeds from disposal of capital assets	$119,379	$41,050
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($213,141)	($471,894)
C. FINANCING ACTIVITIES		
Capital allocations received	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	($683,901)	($687,331)
Add back: supported portion	$683,904	$687,330
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$3	($1)
Net sources (uses) of cash equivalents* during year	($687,240)	($416,830)
Cash Equivalents at the beginning of the year	$6,981,759	$7,398,589
Cash Equivalents at the end of the year	$6,294,519	$6,981,759

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 1115

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$9,622,190	$3,554,801	$707,626	$5,359,763	$2,806,808	$428,568	$838,161	$407,769	$240,231	$50,000	$10,000	$0	$436,612	$141,614	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$9,622,190	$3,554,801	$707,626	$5,359,763	$2,806,808	$428,568	$838,161	$407,769	$240,231	$50,000	$10,000	$0	$436,612	$141,614	$0
Surplus(def) of revenue over expenses	($872,834)		($872,834)												
Block BQRP funded capital transactions		$55,398	($55,398)												
Block MDD funded capital transactions		$0	$0												
Board funded capital transactions		$277,123	($62,542)	($214,581)	$0	($32,145)	$0		($74,073)	$0	($33,805)	$0	($74,558)	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,306,471)	$1,306,471												
Amortization of capital allocations		$764,338	($764,338)												
Disposal of unsupported capital assets	$0	($58,001)	($61,382)	$119,383		$0			$83,178		$26,805		$9,400		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($804,827)	$804,827	$360,719		$264,108			$180,000		$0		$0	
Net transfers from operating reserves			$743,399	($743,399)	($410,535)		($331,460)			$0		$0		($1,404)	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$8,749,356	$3,287,188	$136,175	$5,325,993	$2,756,992	$396,423	$770,809	$407,769	$249,336	$230,000	$3,000	$0	$371,454	$140,210	$0

School Jurisdiction Code: 1115

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$0	$14,711,786
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$0	$14,711,786
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$683,904
Expended capital allocations - current year		$0	$0
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$764,338
Balance at August 31, 2003		$0	$14,631,352

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b) Capital Assets

Capital Assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles & Buses	10% to 20%
Equipment & Furnishings	10% to 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

e) Pensions
Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and post service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Prairie Land Regional Division #25 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $219,352 for the Year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2001 surplus of $634,960,000).

f) Prepaid Expenses
Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

g) Contributed Services
Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

h) Financial Instruments
The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

i) Operating and Capital Reserves
Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

j) Employee Future Benefits
The jurisdiction accounted for the future cost of employee benefits commencing in the 2002/2003 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

3. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $500,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2003.

PRAIRIE LAND REGIONAL DIVISION #25
Notes to the Financial Statements
Year Ended August 31, 2003

4. DEFERRED REVENUE

	2003	2002
One Time Grant Funding - Oberg		9,651
One Time Grant Funding – AJSI	203,636	181,846
BORP	190,832	302,242
Alberta Infrastructure	154,270	650
Altario ECS Donation	15,000	15,000
Rural transportation		56,666
Early Literacy		6,648
Severe/ behavioral	94,812	
Program unit funding	23,555	
Other	41,035	26,430
Total	$723,140	$599,133

5. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas:

Scholarship Trusts	2003	2002
Berry Creek	$263,276	$250,638
Cochrane	5,817	5,489
McLaren-Cook	3,652	3,331
Deugo	2,045	2,048
Fielding	58,698	55,599
Neutral Hills	64,266	61,249
Gourlay	3,643	3,470
Housch	1,075	1,019
Gramlich	1,998	1,861
Kush	8,159	5,335
Olsen	4,986	4,731
Shepherd	5,838	5,554
Todd	5,650	5,368
Ward	6,868	6,309
Prairie Land interest on $200,000 fund	15,962	4,205
Wimmer	3,677	3,502
JC Charyk	37,070	37,557
Special Areas #2 Bursary	133,573	125,777
Faupel	50,000	
Total	$676,253	$583,042

6. LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Treasury. The current portion of long-term debt consists entirely of amounts payable by Alberta Treasury on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2003-2004	$656,454	$382,642	$1,039,096
2004-2005	545,974	322,100	868,074
2005-2006	518,474	272,679	791,153
2006-2007	518,474	226,112	744,586
2007-2008	518,474	179,544	698,018
2008 to maturity	1,481,234	412,256	1,893,490
Total	$4,239,084	$1,795,333	$6,034,417

b) Capital Leases – Unsupported

There are currently no capital leases held by the jurisdiction.

7. CONTINGENCIES

Contingent Asset

The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

8. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

9. ECONOMIC DEPENDANCE ON RELATED THIRD PARTY

Prairie Land Regional Division #25's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependant on this funding.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$11,444,348	$250,195	$11,194,153						
(2) Support block	$2,810,049				$1,941,047			$869,002	
(3) Instruction & support block reallocations	$0	$0	($16,337)		$0			$0	$16,337
(4) Alberta Initiative for School Improvement (AISI)	$216,059	$55,436	$160,623						
(5) Student Health Initiative (SHI)	$132,372	$0	$34,517						$97,855
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$543,000	$0	$543,000					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$9,852	$0	$9,852	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$15,155,680	$305,631	$11,925,808	$0	$1,941,047			$869,002	$114,192
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$136,637	$0	$0	$136,637					
(13) Operations & Maintenance support	$1,192,996			$1,192,996					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$1,329,633	$0	$0	$1,329,633					
(16) **Alberta Finance**	$413,664			$413,664	$0			$0	$0
(17) **Other - Government of Alberta**	$15,195	$0	$0	$0	$3,607			$0	$11,588
(18) **Federal Government and/or First Nations**	$7,064	$0	$0	$7,064	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$167,114	$0		$0	$0			$0	$167,114
(22) **Instruction resource fees**	$155,913	$6,240	$149,673						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$100,258	$0	$82,097	$5,818	$12,253			$90	$0
(25) **Investment income**	$229,061	$0	$5,197	$223,864	$0			$0	$0
(26) **Gifts and donations**	$23,531	$0	$23,531	$0	$0				$0
(27) **Rentals of facilities**	$106,507		$2,662	$103,845	$0			$0	$0
(28) **Net school generated funds**	$328,933		$328,933					$0	
(29) **Gains on disposal of capital assets**	$83,041		$0	$79,991	$3,050			$0	$0
(30) **Amortization of capital allocations**	$764,338		$0	$764,338	$0				$0
(31) **TOTAL REVENUES**	$18,879,932	$311,871	$12,517,901	$2,928,217	$1,959,957			$869,092	$292,894
EXPENSES									
(32) **Certificated salaries**	$9,014,351	$226,829	$8,656,322				$131,200	$131,200	$0
(33) **Certificated benefits**	$978,698	$28,416	$939,836				$10,446	$10,446	$0
(34) **Uncertificated salaries and wages**	$3,821,983	$36,454	$1,477,288	$711,420	$1,099,493	$68,771	$234,465	$303,236	$194,104
(35) **Uncertificated benefits**	$634,623	$7,624	$304,700	$139,003	$99,945	$860	$48,014	$48,874	$34,317
(36) **SUB - TOTAL**	$14,449,451	$299,323	$11,377,984	$850,429	$1,199,438	$69,731	$424,125	$493,856	$228,421
(37) **Services, contracts & supplies**	$3,287,985	$5,045	$1,566,391	$896,701	$563,586	$51,328	$140,461	$191,789	$64,473
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$328,933		$328,933						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$793,121	$0	$28,783	$764,338	$0		$0	$0	$0
(41) Unsupported	$513,350	$0	$110,033	$67,932	$320,837	$0	$14,548	$14,548	$0
(42) Total Amortization	$1,306,471	$0	$138,816	$832,270	$320,837	$0	$14,548	$14,548	$0
Interest on capital debt									
(43) Supported	$413,664	$0	$0	$413,664	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$21,660	$0	$2,416	$0	$16,412		$2,832	$2,832	$0
(47) **TOTAL EXPENSES**	$19,808,164	$304,368	$13,414,540	$2,993,064	$2,100,273	$121,059	$581,966	$703,025	$292,894
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($928,232)	$7,503	($896,639)	($64,847)	($140,316)			$166,067	$0
Applicable student numbers/FTE equivalent	1,814.5	104	1,761.0	1,812.5	974			0.0	
AVERAGE PROGRAM COSTS per student	$10,917	$2,927	$7,618	$1,651	$2,156			$0	

School Jurisdiction Code: 1115

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$7,532,694	$585,533	$157,572	$253,280	$221	$127,022	$0	$8,656,322
Certificated benefits	$821,500	$57,133	$13,634	$28,952	$7	$18,410	$0	$939,636
Uncertificated salaries and wages	$198,767	$424,144	$151,306	$333,104	$340,735	$2,443	$26,767	$1,477,266
Uncertificated benefits	$11,673	$122,625	$26,031	$67,973	$68,799	$495	$7,164	$304,760
SUB - TOTAL REMUNERATION	$8,564,634	$1,189,435	$348,543	$683,309	$409,762	$148,370	$33,931	$11,377,984
Services, contracts & supplies	$990,943	$62,932	$357,088	$18,240	$63,167	$73,436	$585	$1,566,391
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$328,933							$328,933
Amortization of capital assets								
Supported	$0	$0	$28,783					$28,783
Unsupported	$78,362	$0	$31,671					$110,033
Total Amortization	$78,362	$0	$60,454					$138,816
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$2,416	$0						$2,416
TOTAL EXPENSES	$9,965,288	$1,252,367	$766,085	$701,549	$472,929	$221,806	$34,516	$13,414,540
FTE Certificated				3.9	0.0			
FTE Uncertificated				18.9	19.4			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$7,756,976	$747,792	$442,620	($16,337)	$8,931,051	$9,474,919	($543,868)
School Admin & Instruction Support Expenses						$1,252,367	($1,252,367)
System Instruction Support Expenses						$766,085	($766,085)
Total Basic Instruction	$7,756,976	$747,792	$442,620	($16,337)	$8,931,051	$11,493,371	($2,562,320)
Sub-Programs & Initiatives							
Severely Disabled	$336,573		$0		$336,573	$472,929	($136,356)
English as a Second Language	$109,823				$109,823	$181,464	($71,641)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$2,739,849				$2,739,849		$2,739,849
Growth & Density	$14,740				$14,740		$14,740
Teacher Assistants Program	$37,667				$37,667	$291,669	($254,002)
Early Literacy Initiative (K-2)	$69,128				$69,128	$69,081	$47
Learning Resources Credit & Resources for the Classroom	$50,827	$0	$149,673		$200,500	$359,595	($159,095)
Technology Integration	$75,379		$0		$75,379	$543,625	($468,246)
French Language Program & Francisation (all jurisdictions)	$2,070		$0		$2,070	$2,070	$0
Home Education	$1,121		$0		$1,121	$736	$385
Total Sub-Programs & Initiatives	$3,437,177		$149,673		$3,586,850	$1,921,169	$1,665,681
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$11,194,153	$747,792	$592,293	($16,337)	$12,517,901	$13,414,540	($896,639)

School Jurisdiction Code: 1115

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$250,195	$11,194,153		$1,941,047	$869,002	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		($16,337)				$16,337
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of | *$11,444,348* | = | *$228,887* | *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	($16,337)		$0	$0	$16,337

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1115

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$11,368,969
Support Block - Transportation	$1,941,047
SUBTOTAL	$13,310,016

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$1,193,196
Teacher Salary Enhancement	$543,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$15,195
Federal government/First Nations	$7,064
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$167,114
Other sales and services	$100,258
Interest on investments	$229,061
Rentals of facilities	$106,507
Gains on disposal of capital assets	$83,041
Amortization of capital allocations	$764,338
School generated funds (Schedule E)	$501,911
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$17,020,701**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o = 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,021,242

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,021,242**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$703,025
PLUS: transfers to Restricted - Operating (Board/System Administration)	$180,000
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$883,025
Maximum Expense Limit for Board & System Administration (Step 3)	$1,021,242
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$138,217

School Jurisdiction Code: 1115

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1)		$223,037
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$501,911	
Less: SGF - related cost recoveries (Note 3)	$178,763	
- capitalized at the District level (Note 4)	$0	
Net Total	$323,148	
Plus: Donations Received (Note 5)	$43,030	
Equals: Net Additions to SGF		$366,178
Net SGF Available for discretionary spending		$589,215
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$328,933
Unexpended SGF - Closing Balance August 31, 2003		$260,282

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 5 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1115

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$458,490	$212,365	$0	$0	$40,571	$711,426		$711,426
Uncertificated benefits	$89,981	$41,833	$0	$0	$7,189	$139,003		$139,003
Sub-total Remuneration	$548,471	$254,198	$0	$0	$47,760	$850,429		$850,429
Contracted Services	$0	$27,228	$4,070	$64,986	$409	$96,693		$96,693
Supplies	$76,897	$142,427	$0	$0	$0	$219,324		$219,324
Electricity			$274,203			$274,203		$274,203
Natural Gas/Heating Fuel			$235,098			$235,098		$235,098
Sewer and Water			$71,383			$71,383		$71,383
Telecommunications			$11,096			$11,096		$11,096
Insurance					$62,444	$62,444		$62,444
Amortization of capital assets								
Supported							$764,338	$764,338
Unsupported						$67,932		$67,932
Total Amortization						$67,932	$764,338	$832,270
Interest on capital debt								
Supported							$413,664	$413,664
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$625,368	$423,853	$595,850	$64,986	$110,613	$1,888,602	$1,178,002	$3,066,604
SQUARE METRES								
School Buildings								31,130.7
Non School Buildings								2,289.8

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure componants reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1115

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	John Neil	1.0	$12,160	$120	$0	$0	$0	$12,280	$6,693
Name		0.0	$0	$0	$0	$0	$0	$0	
Other Board Members:									
Name	Faye Byrgesen	1.0	$8,175	$120	$0	$0	$0	$8,295	$2,212
Name	Richard Bailey	1.0	$7,525	$120	$0	$0	$0	$7,645	$3,568
Name	Gloria Nelson	1.0	$9,037	$120	$0	$0	$0	$9,157	$3,888
Name	David Beckie	1.0	$5,713	$120	$0	$0	$0	$5,833	$1,168
Name	John Hetherington	1.0	$7,537	$120	$0	$0	$0	$7,657	$3,201
Name	Angie Moe	1.0	$7,750	$120	$0	$0	$0	$7,870	$2,118
Name	Vern Thuroo	1.0	$10,873	$120	$0	$0	$0	$10,993	$6,843
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*8.0*	*$68,770*	*$960*	*$0*	*$0*	*$0*	*$69,730*	*$29,691*
Superintendent	Dr Garry Andrews	1.0	$107,217	$5,710	$0	$0	$0	$112,927	$3,151
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Arlene Dow	0.2	$14,503	$1,308	$300	$0	$0	$16,111	$367
Secretary/Treasurer	Allen Kallel	0.8	$62,177	$11,113	$0	$0	$0	$73,290	$5,276
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		137.0	$8,849,134	$972,784	$0	$0	$58,000	$9,879,918	
Uncertificated Salaries & Wages		153.2	$3,676,533	$621,242	$0	$0	$0	$4,297,775	
TOTALS			**$12,778,334**	**$1,613,117**	**$300**	**$0**	**$58,000**	**$14,449,751**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 1115

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1055

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

PRAIRIE ROSE REGIONAL DIVISION NO.8
Name of School Jurisdiction

P.O.BOX 204 DUNMORE, AB T0J 1A0
Mailing Address

PHONE: 527-5516 FAX:528-2264
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules PRAIRIE ROSE REGIONAL DIVISION NO.8 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

MARIAN PEERS
Name

"Original Signed By"
Signature

SUPERINTENDENT

KEITH JONES
Name

"Original Signed By"
Signature

SECRETARY TREASURER OR TREASURER

PATRICIA COCKS
Name

"Original Signed By"
Signature

9-Dec-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jerry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 1055

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MNP
MEYERS NORRIS PENNY LLP

AUDITORS' REPORT

To the Board of Trustees
Prairie Rose Regional Division #8

We have audited the statement of financial position of the Prairie Rose Regional Division #8 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Meyers Norris Penny LLP
Chartered Accountants

Medicine Hat, Alberta
October 28, 2003

an independent member of
BAKER TILLY
INTERNATIONAL

School Jurisdiction Code: 1055

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$3,470,546	$3,274,610
Accounts receivable (net after allowances)		$739,203	$588,357
Prepaid expenses		$356,010	$455,531
Other current assets		$3,350	$3,350
Total current assets		$4,569,110	$4,321,848
School generated assets		$436,237	$439,030
Trust assets		$122,661	$88,150
Long term accounts receivable		$0	$0
Capital assets			
Land		779890.00	$779,890
Buildings	$38,574,782		
Less: accumulated amortization	($17,250,655)	$21,324,127	$21,894,551
Equipment	$548,903		
Less: accumulated amortization	($115,647)	$433,256	$337,939
Vehicles	$153,505		
Less: accumulated amortization	($50,302)	$103,203	$67,464
Total capital assets		$22,640,476	$23,079,844
TOTAL ASSETS		$27,768,484	$27,928,872
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,758,816	$1,216,356
Deferred revenue		$804,391	$1,495,922
Deferred capital allocations		$16,166	$13,116
Current portion of all long term debt		$394,206	$404,347
Total current liabilities		$2,973,579	$3,129,741
School generated liabilities		$436,237	$439,030
Trust liabilities		$122,661	$88,150
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$3,039,288	$3,418,635
	Less: Current portion of supported debt	($369,206)	($379,347)
Unsupported:	Debentures and Capital Loans	$150,000	$175,000
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($25,000)	($25,000)
Unamortized capital allocations		$13,520,470	$13,983,563
Total long term liabilities		$16,874,450	$17,700,031
TOTAL LIABILITIES		$19,848,029	$20,829,772
NET ASSETS			
Unrestricted net assets		$827,776	$596,275
Operating Reserves		$1,135,166	$991,151
Accumulated Operating Surplus (Deficit)		$1,962,942	$1,587,426
Investment in capital assets		$5,880,636	$5,477,606
Capital Reserves		$76,877	$34,068
Total Capital Funds		$5,957,513	$5,511,674
Total net assets		$7,920,455	$7,099,100
TOTAL LIABILITIES AND NET ASSETS		$27,768,484	$27,928,872

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1055

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$29,114,650	$28,393,320	$29,961,083
Alberta Infrastructure	$2,736,668	$3,401,662	$1,267,362
Alberta Finance	$303,019	$320,000	$368,573
Other Government of Alberta	$18,971	$27,270	$20,645
Federal Government and/or First Nations	$181,197	$181,772	$179,230
Other Alberta school authorities	$0	$15,000	$0
Out of province authorities	$30,432	$42,000	$37,512
Alberta Municipalities (excluding supplementary requisitions)	$155,320	$139,595	$136,932
Instruction resource fees	$229,367	$180,000	$213,141
Transportation fees	$20,140	$16,200	$23,560
Other sales and services	$51,737	$25,000	$25,542
Investment income	$108,172	$35,000	$89,342
Gifts and donations	$82,070	$93,000	$61,328
Rentals of facilities	$128,268	$150,000	$144,585
Net school generated funds	$254,328	$57,748	$239,378
Gains on disposal of capital assets	$42,809	$0	$3,350
Amortization of capital allocations	$842,440	$860,000	$874,853
Total Revenues	$34,299,588	$33,937,567	$33,646,416
EXPENSES			
Certificated salaries	$16,135,173	$15,165,597	$15,363,131
Certificated benefits	$1,854,997	$1,748,182	$1,758,092
Uncertificated salaries and wages	$4,691,790	$4,559,088	$4,468,779
Uncertificated benefits	$790,352	$765,055	$731,157
Services, contracts and supplies	$8,763,582	$10,065,677	$9,100,868
Net school generated funds	$254,328	$57,748	$239,378
Capital and debt services			
Amortization of capital assets			
Supported	$871,055	$860,000	$874,853
Unsupported	$285,357	$264,214	$229,065
Total Amortization of capital assets	$1,156,412	$1,124,214	$1,103,918
Interest on capital debt			
Supported	$302,109	$320,000	$369,508
Unsupported	$14,328	$17,000	$14,530
Total Interest on capital debt	$316,437	$337,000	$384,038
Other interest charges	$3,964	$1,500	$4,818
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$33,967,033	$33,824,061	$33,154,179
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$332,555	$113,506	$492,237
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$488,800	$0	$289,277
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$821,355	$113,506	$781,514

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1055

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$821,355	$781,514
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($842,440)	($874,853)
Total amortization expense	$1,156,412	$1,103,918
Gains on disposal of capital assets	($42,809)	($3,350)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($150,846)	$238,251
Prepaids and other current assets	$99,521	$28,358
Payables and accrued liabilities	$542,460	$489,218
Deferred revenue	($691,531)	($313,034)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$892,122	$1,450,022
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($488,799)	($388,857)
Equipment	($170,914)	($177,741)
Vehicles	($57,331)	($26,050)
Net proceeds from disposal of capital assets	$42,809	$3,350
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($674,235)	($589,298)
C. FINANCING ACTIVITIES		
Capital allocations received	$3,050	$14,318
Issue of long term debt	$0	$0
Repayment of long term debt	($404,347)	($441,692)
Add back: supported portion	$379,347	$416,693
Other (describe)	$0	$0
Total sources (uses) from Financing activities	($21,950)	($10,681)
Net sources (uses) of cash equivalents* during year	$195,936	$850,043
Cash Equivalents at the beginning of the year	$3,274,610	$2,424,567
Cash Equivalents at the end of the year	$3,470,546	$3,274,610

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 1055

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$7,099,100	$5,477,606	$596,275	$1,025,219	$892,133	$0	$0	$0	$34,068	$61,274	$0	$22,987	$0	$14,757	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$7,099,100	$5,477,606	$596,275	$1,025,219	$892,133	$0	$0	$0	$34,068	$61,274	$0	$22,987	$0	$14,757	$0
Surplus(def) of revenue over expenses	$821,355		$821,355												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$488,800	($488,800)												
Board funded capital transactions		$191,893	($191,893)	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,156,412)	$1,156,412												
Amortization of capital allocations		$842,440	($842,440)												
Disposal of unsupported capital assets	$0		($42,809)	$42,809		$0			$42,809		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$36,309	($36,309)												
Net transfers to operating reserves			($957,366)	$957,366	$728,657		$6,816			$153,125		$46,190		$22,578	
Net transfers from operating reserves			$813,351	($813,351)	($714,333)		$0			($61,274)		($22,987)		($14,757)	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$7,920,455	$5,880,636	$827,776	$1,212,043	$906,457	$0	$6,816	$0	$76,877	$153,125	$0	$46,190	$0	$22,578	$0

School Jurisdiction Code: 1055

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$13,116	$13,983,563
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$13,116	$13,983,563
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$3,050	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$379,347
Expended capital allocations - current year		$0	$0
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$842,440
Balance at August 31, 2003		$16,166	$13,520,470

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

PRAIRIE ROSE REGIONAL DIVISION NO. 8

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a. REVENUE RECOGNITION

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital assets acquired by the grant.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b. CAPITAL ASSETS

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis. No amortization is taken in the year of acquisition and a full year of amortization is taken in the year of disposal. The rates are as follows:

Buildings	2.5% to 4%
Equipment	20%
Vehicles	10%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c. SCHOOL GENERATED FUNDS

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

d. VACATION PAY

Vacation pay is accrued in the period in which the employee earns the benefit.

e. PENSIONS

Pension costs included in these statements comprise the cost of employer contributions for current services of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Prairie Rose Regional Division No. 8 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The Expense for this pension plan is equivalent to annual contributions of $123,751 for the Year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2001 surplus of $634,960,000).

f. PREPAID EXPENSES

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

g. CONTRIBUTED SERVICES

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

h. FINANCIAL INSTRUMENTS

The jurisdiction's financial instruments consist of cash, accounts receivable, temporary and long-term investments, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

i. OPERATING AND CAPITAL RESERVES

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

j. EMPLOYEE FUTURE BENEFITS

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

3. ACCOUNTS RECEIVABLE

	2003	2002
Province of Alberta	$ 420,107	$ 255,145
Federal Government	162,691	204,467
Alberta Municipalities	46,101	34,445
Other Alberta school jurisdictions	5,340	5,000
Other	104,964	89,300
Total	$ 739,203	$ 588,357

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $1,000,000 that bears interest at the bank prime rate less ¼%. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2003 (nil – 2002).

5. CAPITAL ASSETS

		Accumulated	Net Book Value	
Asset	Cost	Amortization	2003	2002
Land	$ 779,890	$ -	$ 779,890	$ 779,890
Buildings	38,574,782	(17,250,655)	21,324,127	21,894,551
Vehicles	153,505	(50,302)	103,203	67,464
Equipment	548,903	(115,647)	433,256	337,939
Total	$40,057,080	$(17,416,604)	$22,640,476	$23,079,844

6. ACCOUNTS PAYABLE AND LIABILITIES

	2003	2002
Province of Alberta	$ -	$ 38,944
Other Trade Payables and Accrued Liabilities	1,758,816	1,177,412
Total	$ 1,758,816	$ 1,216,356

7. DEFERRED REVENUE

	2003	2002
One Time Grant Funding	-	286,679
Other	804,391	1,209,243
Total	$ 804,391	$ 1,495,922

PRAIRIE ROSE REGIONAL DIVISION NO. 8

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

8. ALLOCATIONS FROM PROVINCE OF ALBERTA (Related Party Transactions)

	2003 Actual	2003 Budget	2002 Actual
Alberta Learning	$29,114,650	$28,393,320	$29,961,083
Alberta Infrastructure	2,736,668	3,401,662	1,267,362
Alberta Treasury	303,019	320,000	368,573
Other Government of Alberta	18,971	27,270	20,645
Total	$32,173,308	$ 32,142,252	$31,617,663

9. TRUST ASSETS AND LIABILITIES

	2003	2002
Scholarship Trusts	$ 122,661	$ 88,150

10. LONG-TERM DEBT

a. Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2003-2004	369,206	289,990	659,196
2004-2005	313,762	253,808	567,570
2005-2006	299,846	222,764	522,610
2006-2007	274,265	193,390	467,655
2007-2008	182,490	166,656	349,146
2008 to maturity	1,599,719	777,406	2,377,125
Total	3,039,288	1,904,014	4,943,302

b. Debenture Debt – Unsupported

The debenture debt bears interest at rates varying between 7.625% and 8.75%. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2003-2004	25,000	12,281	37,281
2004-2005	25,000	10,234	35,234
2005-2006	25,000	8,188	33,188
2006-2007	25,000	6,141	31,141
2007-2008	25,000	4,094	29,094
2008 to maturity	25,000	2,046	27,046
Total	150,000	42,984	192,984

c. Capital Leases – Unsupported

There are currently no capital leases held by the jurisdiction.

11. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded. Details of the changes in the deferred capital allocations accounts are as follows:

	2003	2002
Balance, Beginning of Year	$ 13,116	$ 6,286
Allocations Received & Receivable During the Year	3,050	14,318
Transfers to Unamortized Capital Allocations	-	(7,488)
Balance, End of Year	$ 16,166	$ 13,116

12. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

13. SCHOOL GENERATED FUNDS

	2003	2002
Balance, Beginning of Year	$ 439,030	$ 448,807
Source of School Generated Funds (SGF)		
SGF for the year	1,011,688	964,442
Less: Costs of generated SGF	(768,416)	(746,132)
Donations received	8,263	11,291
Net SGF available for the year	$ 251,535	$ 229,601
Application of Net SGF	$ 690,565	$ 678,408
Less: Net SGF expended for the year	(254,328)	(239,378)
Balance, End of Year	$ 436,237	$ 439,030

14. ONE TIME GRANT REVENUE

a) In 1999, Alberta Learning announced a One-Time Grant as a major investment in education. The jurisdiction's share of this One-Time funding was $1,084,580. There is $177,800 in funds remaining at year-end as follows:

Restricted net assets	$177,800

15. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

16. COMPARATIVE FIGURES

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

17. ECONOMIC DEPENDENCE

The Prairie Rose School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

18. CONTINGENCIES

CONTINGENT ASSET

The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdictions can liquidate.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 1055

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin	External Services
Alberta Learning allocations									
(1) Instruction block	$21,715,655	$798,337	$20,917,318						
(2) Support block	$5,699,763				$4,217,602			$1,482,161	
(3) Instruction & support block reallocations	$0	$0	($61,000)		$0			$0	$61,000
(4) Alberta Initiative for School Improvement (AISI)	$411,676	$0	$411,676						
(5) Student Health Initiative (SHI)	$126,195	$0	$126,195						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,034,000	$26,449	$991,226					$16,325	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$127,361	$0	$7,688	$119,673	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$29,114,650	$824,786	$22,393,103	$119,673	$4,217,602			$1,498,486	$61,000
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$93,679	$0	$0	$93,679					
(13) Operations & Maintenance support	$2,341,873			$2,341,873					
(14) Operations & Maintenance support (One-Time)	$301,116			$301,116					
(15) **Total Alberta Infrastructure Revenue**	$2,736,668	$0	$0	$2,736,668					
(16) **Alberta Finance**	$303,019			$303,019	$0			$0	$0
(17) **Other - Government of Alberta**	$18,971	$0	$0	$4,800	$0			$0	$14,171
(18) **Federal Government and/or First Nations**	$181,197	$18,217	$155,016	$7,964	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0		$0	$0			$0	$0
(20) **Out of province authorities**	$30,432	$0	$30,432	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$155,320	$0	$0	$0	$0			$0	$155,320
(22) **Instruction resource fees**	$229,367	$4,372	$224,995						
(23) **Transportation fees**	$20,140				$20,140				
(24) **Other sales and services**	$51,737	$0	$51,737	$0	$0			$0	$0
(25) **Investment income**	$108,172	$0	$83,528	$24,644	$0			$0	$0
(26) **Gifts and donations**	$82,070	$0	$7,722	$0	$0				$74,348
(27) **Rentals of facilities**	$128,268		$0	($648)	$0			$0	$128,916
(28) **Net school generated funds**	$254,328		$254,328					$0	
(29) **Gains on disposal of capital assets**	$42,809		$1,250	$29,610	$0			$0	$11,949
(30) **Amortization of capital allocations**	$842,440		$16,184	$826,256	$0				$0
(31) **TOTAL REVENUES**	$34,299,588	$847,375	$23,218,295	$4,051,887	$4,237,742			$1,498,486	$445,704
EXPENSES									
(32) **Certificated salaries**	$16,135,173	$412,375	$15,454,325				$268,473	$268,473	$0
(33) **Certificated benefits**	$1,854,997	$47,423	$1,776,699				$30,874	$30,874	$0
(34) **Uncertificated salaries and wages**	$4,691,790	$132,761	$2,573,525	$1,157,816	$90,850	$126,305	$445,650	$571,955	$164,883
(35) **Uncertificated benefits**	$790,352	$22,680	$402,274	$231,488	$23,124	$5,912	$77,605	$83,516	$27,269
(36) **SUB - TOTAL**	$23,472,311	$615,239	$20,206,823	$1,389,304	$113,974	$132,217	$822,602	$954,819	$192,152
(37) **Services, contracts & supplies**	$8,763,582	$157,866	$2,415,400	$1,462,233	$4,095,795	$77,793	$355,731	$433,524	$198,763
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0		$0	$0
(39) **Net school generated funds**	$254,328		$254,328						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$871,055	$0	$0	$871,055	$0			$0	$0
(41) Unsupported	$285,357	$0	$68,770	$196,294	$0	$0		$0	$20,293
(42) Total Amortization	$1,156,412	$0	$68,770	$1,067,349	$0	$0	$0	$0	$20,293
Interest on capital debt									
(43) Supported	$302,109	$0	$0	$302,109	$0		$0	$0	$0
(44) Unsupported	$14,328	$0	$0	$0	$0	$0	$14,328	$14,328	$0
(45) Other interest charges	$3,964	$0	$0	$0	$0		$3,964	$3,964	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$33,967,033	$773,105	$22,945,321	$4,220,995	$4,209,769	$210,010	$1,196,625	$1,406,635	$411,208
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$332,555	$74,269	$272,974	($169,008)	$27,973			$91,851	$34,496
Applicable student numbers/FTE equivalent	3,511.5	102	3,409.5	3,511.5	2,248			3,511.5	
AVERAGE PROGRAM COSTS per student	$9,673	$7,579	$6,730	$1,202	$1,873			$401	

School Jurisdiction Code: 1055

SCHEDULE B1 to the AFS

INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$13,180,015	$1,097,893	$78,415	$636,020	$156,316	$305,666	$0	$15,454,325
Certificated benefits	$1,515,702	$126,258	$9,018	$72,594	$17,976	$35,152	$0	$1,776,699
Uncertificated salaries and wages	$888,117	$531,504	$39,552	$0	$966,130	$59,195	$89,026	$2,573,525
Uncertificated benefits	$115,600	$104,439	$6,327	$0	$156,357	$1,380	$18,171	$402,274
SUB - TOTAL REMUNERATION	$15,699,433	$1,860,093	$133,311	$708,614	$1,296,780	$401,394	$107,197	$20,206,823
Services, contracts & supplies	$1,907,311	$180,460	$23,994	$11,342	$172,071	$105,894	$14,328	$2,415,400
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$254,328							$254,328
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$68,770	$0	$0					$68,770
Total Amortization	$68,770	$0	$0					$68,770
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$17,929,842	$2,040,553	$157,305	$719,956	$1,468,851	$507,288	$121,525	$22,945,321
FTE Certificated				10.0	2.1			
FTE Uncertificated				0.0	51.2			

SCHEDULE B2 to the AFS

INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$15,104,267	$1,536,785	$600,197	($61,000)	$17,180,249	$19,278,612	($2,098,362)
School Admin & Instruction Support Expenses						$2,040,553	($2,040,553)
System Instruction Support Expenses						$157,305	($157,305)
Total Basic Instruction	$15,104,267	$1,536,785	$600,197	($61,000)	$17,180,249	$21,476,470	($4,296,221)
Sub-Programs & Initiatives							
Severely Disabled	$665,660		$0		$665,660	$1,468,851	($803,191)
English as a Second Language	$244,686				$244,686	$0	$244,686
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$4,378,983				$4,378,983		$4,378,983
Growth & Density	$128,702				$128,702		$128,702
Teacher Assistants Program	$70,884				$70,884	$0	$70,884
Early Literacy Initiative (K-2)	$132,938				$132,938	$0	$132,938
Learning Resources Credit & Resources for the Classroom	$34,639	$0	$224,995		$259,634	$0	$259,634
Technology Integration	$145,125		$0		$145,125	$0	$145,125
French Language Program & Francisation (all jurisdictions)	$3,907		$0		$3,907	$0	$3,907
Home Education	$7,527		$0		$7,527	$0	$7,527
Total Sub-Programs & Initiatives	$5,813,051		$224,995		$6,038,046	$1,468,851	$4,569,195
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$20,917,318	$1,536,785	$825,192	($61,000)	$23,218,295	$22,945,321	$272,974

School Jurisdiction Code: 1055

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$798,337	$20,917,318		$4,217,602	$1,482,161	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		($61,000)				$61,000
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$21,715,655* *=* *$434,313* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	($61,000)		$0	$0	$61,000

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1055

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block	- Grades ECS -12 (excluding technology integration)	$21,570,530
Support Block	- Transportation	$4,217,602
SUBTOTAL		$25,788,132

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,341,873
Teacher Salary Enhancement	$1,034,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$18,971
Federal government/First Nations	$181,197
Other Alberta school authorities	$0
Out of province local authorities	$30,432
Alberta municipalities	$155,320
Other sales and services	$51,737
Interest on investments	$108,172
Rentals of facilities	$128,268
Gains on disposal of capital assets	$42,809
Amortization of capital allocations	$842,440
School generated funds (Schedule E)	$1,011,688
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$31,735,039**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov= 4%	**5.30%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,680,529
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,680,529**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,406,635
PLUS: transfers to Restricted - Operating (Board/System Administration)	$153,125
LESS: transfers from Restricted - Operating (Board/System Administration)	-$61,274
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,498,486
Maximum Expense Limit for Board & System Administration (Step 3)	$1,680,529
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$182,043

School Jurisdiction Code: 1055

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$439,030
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,011,688	
Less: SGF - related cost recoveries (Note 3)	$768,416	
- capitalized at the District level (Note 4)	$0	
Net Total	$243,272	
Plus: Donations Received (Note 5)	$8,263	
Equals: Net Additions to SGF		$251,535
Net SGF Available for discretionary spending		$690,565
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$254,328
Unexpended SGF - Closing Balance August 31, 2003		$436,237

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1055

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$624,567	$424,027	$0	$0	$109,222	$1,157,816		$1,157,816
Uncertificated benefits	$110,709	$101,119	$0	$0	$19,660	$231,488		$231,488
Sub-total Remuneration	$735,276	$525,146	$0	$0	$128,882	$1,389,304		$1,389,304
Contracted Services	$267,474	$20,343	$0	$93,679	$31,562	$413,058		$413,058
Supplies	$77,343	$113,109	$0	$0	$5,214	$195,667		$195,667
Electricity			$399,153			$399,153		$399,153
Natural Gas/Heating Fuel			$326,463			$326,463		$326,463
Sewer and Water			$54,737			$54,737		$54,737
Telecommunications			$5,880			$5,880		$5,880
Insurance					$67,275	$67,275		$67,275
Amortization of capital assets								
Supported							$871,055	$871,055
Unsupported						$196,294		$196,294
Total Amortization						$196,294	$871,055	$1,067,349
Interest on capital debt								
Supported							$302,109	$302,109
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,080,094	$658,598	$786,233	$93,679	$232,933	$3,047,831	$1,173,164	$4,220,995
SQUARE METRES								
School Buildings								56,235.9
Non School Buildings								2,882.6

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictly, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1055

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Marian Peers	1.0	$15,967	$769	$0	$0	$0	$16,736	$9,429
Name			$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Laurie D'Agnone	1.0	$13,793	$665	$0	$0	$0	$14,458	$7,112
Name	Elaine Erb	1.0	$10,869	$502	$0	$0	$0	$11,371	$4,063
Name	Paulette Heller	1.0	$12,452	$548	$0	$0	$0	$13,000	$5,936
Name	Arnold Frank	1.0	$14,143	$617	$0	$0	$0	$14,760	$8,705
Name	Ryan Heman	1.0	$8,971	$419	$0	$0	$0	$9,390	$3,045
Name	Donna Kirchner	1.0	$11,489	$522	$0	$0	$0	$12,011	$4,185
Name	Marjorie Moncrieff	1.0	$13,379	$633	$0	$0	$0	$14,012	$6,760
Name	David Shauf	1.0	$13,104	$646	$0	$0	$0	$13,750	$6,780
Name	Georgine Westgard	1.0	$12,138	$555	$0	$0	$0	$12,693	$8,102
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*10.0*	*$126,305*	*$5,876*	*$0*	*$0*	*$0*	*$132,181*	*$64,117*
Superintendent	Keith Jones	1.0	$112,040	$5,808	$0	$0	$0	$117,848	$6,151
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Patricia Cocks	1.0	$100,760	$11,777	$0	$0	$0	$112,536	$13,183
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		231.5	$16,023,133	$1,849,189	$0	$0	$0	$17,872,322	
Uncertificated Salaries & Wages		193.0	$4,464,724	$772,699	$0	$0	$0	$5,237,423	
TOTALS			$20,826,962	$2,645,349	$0	$0	$0	$23,472,311	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 1055

SCHEDULE G1 to the AFS

DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*

COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 19

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Red Deer Catholic Regional Division No. 39
Name of School Jurisdiction

5210 - 61 Street, Red Deer Alberta T4N 6N8
Mailing Address

403 - 343 - 1055 403 - 347 - 6410
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Red Deer Catholic Regional Division No. 39 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mr. Gordon Bontje
Name

"Original signed by"
Signature

SUPERINTENDENT

Mr. Don Dolan
Name

"Original signed by"
Signature

SECRETARY TREASURER OR TREASURER

Mr. Richard Dornstauder
Name

"Original signed by"
Signature

2-Dec-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
9th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 19

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To the Board of Trustees
Red Deer Catholic Regional Division No. 39

AUDITORS' REPORT

We have audited the statement of financial position of the Red Deer Catholic Regional Division No. 39 as at August 31, 2003 and the statement of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Meyers Norris Penny LLP
Chartered Accountants

Red Deer, Alberta
November 23, 2003

School Jurisdiction Code: 19

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$1,521,674	$8,431,728
Accounts receivable (net after allowances)		$2,916,030	$2,194,984
Prepaid expenses		$929,584	$655,840
Other current assets		$19,870	$18,319
Total current assets		$5,387,158	$11,300,871
School generated assets		$494,998	$529,750
Trust assets		$239,534	$189,707
Long term accounts receivable		$0	$0
Capital assets			
Land		$379,576	$380,581
Buildings	$70,309,384	$52,208,431	$46,330,102
Less: accumulated amortization	($18,100,953)		
Equipment	$6,852,973	$1,820,001	$1,501,523
Less: accumulated amortization	($5,032,972)		
Vehicles	$1,089,697	$154,250	$160,046
Less: accumulated amortization	($935,447)		
Total capital assets		$54,562,258	$48,372,252
TOTAL ASSETS		$60,683,948	$60,392,580
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,100,406	$1,554,298
Deferred revenue		$547,374	$910,208
Deferred capital allocations		$504,024	$6,948,115
Current portion of all long term debt		$838,908	$875,687
Total current liabilities		$3,990,712	$10,288,308
School generated liabilities		$494,998	$529,750
Trust liabilities		$239,534	$189,707
Employee future benefits liability		$93,175	$133,966
Long term debt			
Supported: Debentures and other supported debt		$5,708,944	$6,533,878
Less: Current portion of supported debt		($784,137)	($824,934)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$487,471	$538,224
Mortgages		$0	$0
Less: Current portion of unsupported debt		($54,771)	($50,753)
Unamortized capital allocations		$45,879,867	$38,776,135
Total long term liabilities		$52,065,081	$45,825,973
TOTAL LIABILITIES		$56,055,793	$56,114,281
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$993,686	$849,686
Accumulated Operating Surplus (Deficit)		$993,686	$849,686
Investment in capital assets		$2,485,975	$2,524,014
Capital Reserves		$1,148,494	$904,599
Total Capital Funds		$3,634,469	$3,428,613
Total net assets		$4,628,155	$4,278,299
TOTAL LIABILITIES AND NET ASSETS		$60,683,948	$60,392,580

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 19

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$31,146,467	$30,708,753	$28,381,254
Alberta Infrastructure	$3,808,591	$3,096,663	$3,685,906
Alberta Finance	$648,487	$689,577	$739,084
Other Government of Alberta	$19,284	$159,000	$341,114
Federal Government and/or First Nations	$105,631	$0	$112,160
Other Alberta school authorities	$96,872	$35,000	$35,409
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$358,993	$388,000	$294,619
Transportation fees	$11,898	$0	$9,544
Other sales and services	$308,667	$86,000	$452,628
Investment income	$90,830	$40,000	$50,564
Gifts and donations	$0	$51,500	$0
Rentals of facilities	$11,347	$34,400	$6,247
Net school generated funds	$143,523	$0	$177,898
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$1,897,058	$1,511,753	$1,629,857
Total Revenues	$38,647,648	$36,800,646	$35,916,284
EXPENSES			
Certificated salaries	$18,117,591	$18,518,343	$17,058,370
Certificated benefits	$2,468,131	$2,273,830	$2,328,911
Uncertificated salaries and wages	$5,602,090	$5,454,336	$4,985,565
Uncertificated benefits	$1,111,313	$1,272,721	$947,383
Services, contracts and supplies	$7,966,357	$7,021,952	$7,175,136
Net school generated funds	$143,523	$0	$177,898
Capital and debt services			
Amortization of capital assets			
Supported	$1,887,812	$1,511,753	$1,611,410
Unsupported	$312,222	$327,064	$345,347
Total Amortization of capital assets	$2,200,034	$1,838,817	$1,956,757
Interest on capital debt			
Supported	$648,487	$689,577	$739,084
Unsupported	$40,266	$39,385	$44,073
Total Interest on capital debt	$688,753	$728,962	$783,157
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$38,297,792	$37,108,961	$35,413,177
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$349,856	($308,315)	$503,107
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$349,856	($308,315)	$503,107

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 19

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$349,856	$503,107
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,897,058)	($1,629,857)
Total amortization expense	$2,200,034	$1,956,757
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($721,046)	($34,384)
Prepaids and other current assets	($275,295)	($212,637)
Payables and accrued liabilities	$546,108	$365,984
Deferred revenue	($362,834)	$299,319
Employee future benefit expense (recovery)	($40,791)	($24,617)
Other (describe)	$0	($603,187)
Total sources (uses) of cash from Operations	($201,026)	$620,485
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($7,708,107)	($9,318,786)
Equipment	($614,530)	($547,623)
Vehicles	($67,403)	($32,156)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($8,390,040)	($9,898,565)
C. FINANCING ACTIVITIES		
Capital allocations received	$1,731,765	$12,371,509
Issue of long term debt	$0	$0
Repayment of long term debt	($875,687)	($913,292)
Add back: supported portion	$824,934	$866,262
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$1,681,012	$12,324,479
Net sources (uses) of cash equivalents* during year	($6,910,054)	$3,046,399
Cash Equivalents at the beginning of the year	$8,431,728	$5,385,329
Cash Equivalents at the end of the year	$1,521,674	$8,431,728

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 19

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(In dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$4,448,601	$2,524,014	$0	$1,924,587	$526,141	$330,064	$197,300	$170,302	$242,888	$49,257	($16,040)	$76,988	$347,687	$0	$0
Prior period adjustments (describe)															
Move interest to DCA	($170,302)	$0	$0	($170,302)	$0	$0	$0	($170,302)	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$4,278,299	$2,524,014	$0	$1,754,285	$526,141	$330,064	$197,300	$0	$242,888	$49,257	($16,040)	$76,988	$347,687	$0	$0
Surplus(def) of revenue over expenses	$349,856		$349,856												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$214,184	$0	($214,184)	$0	($30,406)	$0		($143,194)	$0	$0	$0	($40,584)	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($2,200,034)	$2,200,034												
Amortization of capital allocations		$1,897,058	($1,897,058)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$50,753	($50,753)												
Net transfers to operating reserves			($144,000)	$144,000	$75,000		$0			$55,000		$14,000		$0	
Net transfers from operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers to capital reserves			($458,079)	$458,079		$87,440			$176,949		$50,442		$143,248		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$4,628,155	$2,485,975	$0	$2,142,180	$601,141	$387,098	$197,300	$0	$276,643	$104,257	$34,402	$90,988	$450,351	$0	$0

School Jurisdiction Code: 19

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002	$6,777,813	$38,776,135
Prior period adjustment	$170,302	
Adjusted balance, August 31, 2002	$6,948,115	$38,776,135
Add:		
Capital allocations from: AB Infrastructure - New/Modernization Projects	$1,626,903	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	($18,916)	
Other capital grants and donations	$123,778	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (depreciable, at Fair Market Value)		$0
Transferred in capital assets (depreciable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$824,934
Expended capital allocations - current year	($8,175,856)	$8,175,856
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,897,058
Balance at August 31, 2003	$504,024	$45,879,867

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1. Authority and purpose

The School Division delivers education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The School Division receives block allocations for instruction and support under regulation 72/95. The Regulation limits funding and expenses for administration. It permits the School Division within specified limits to reallocate funding between instruction and support blocks.

2. Accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. These financial statements have, in management's opinion, been properly prepared with reasonable limits of materiality and within the framework of the significant accounting policies summarized as follows:

Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they are related.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital contributions from the province or other agencies are recorded as deferred capital allocations. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

Capital assets

Capital assets are recorded at cost. Amortization is provided using methods and rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Buildings	straight-line	2.5 to 4 %
Automotive	straight-line	10 and 20%
Equipment	straight-line	10 and 20%

Only assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

School generated funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (i.e. yearbook sales, graduation fees, field trip fees, etc.).

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Pensions

Pension costs included in these financial statements comprise the cost of employer contributions for the current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teacher Pension Plan Act, the Red Deer Regional School Division #39 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $52,742 (2002 - $43,511) for the year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2002 - surplus of $634,960,000).

Inventories

Inventories are recorded at the lesser of cost and net realizable value.

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Employee future benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2003, the recorded obligation is $93,175 (2002 - $133,966). The total expense recorded in the financial statements is $7,395 (2002 - $8,135).

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

3. Accounts receivable

	2003	*2002*
Province of Alberta	1,671,456	1,087,703
Federal Government	355,524	197,451
Alberta Municipalities	670,774	652,460
Other	218,276	257,370
	2,916,030	2,194,984

4. Bank indebtedness

The School Division has negotiated a line of credit in the amount of $2,000,000 (2002 - $2,000,000) that bears interest at the bank prime rate plus 0.5%. The line of credit, which is secured by a borrowing resolution incorporating a first charge over all monies becoming due or payable to the borrower, including municipal levies, covers all revenue of the School Division. There was no balance outstanding on the line of credit at August 31, 2003 (2002 - $0).

5. Accounts payable and accrued liabilities

	2003	*2002*
Province of Alberta	976,180	976,044
Alberta Municipalities	88,949	10,500
Other trade payables and accrued liabilities	1,035,277	567,754
	2,100,406	1,554,298

6. Deferred revenue

	2003	*2002*
One -time operations and maintenance support	255,391	-
2003 Budget one-time grant for transportation	24,800	-
2002-2003 one-time equivalent to 3% increase in grants	-	72,769
BQRP funding	-	578,022
Other	267,183	259,417
	547,374	910,208

7. Long term debt

	2003	*2002*
The Division has issued the following debentures to the Alberta Municipal Finance Corporation to finance the construction of school buildings having a carrying value of $12,528,901 (2002 - $13,253,226). Interest rates range from 6.875% to 12%.	5,708,944	6,533,878
Less: current portion	784,137	824,934
	4,924,807	5,708,944

Principal repayments are estimated as follows:

2004	784,137
2005	767,514
2006	762,396
2007	730,091
2008	654,091

8. Capital lease obligations

	2003	*2002*
Capital lease bearing interest at the Scotia Leasing Five Year Base Rate (currently 6.39%) plus 1.25% payable in monthly installments of $7,511 including interest, secured by equipment having a carrying value of $553,210 (2002 - $578,351), due August 2010.	487,471	538,224
Less: current portion	54,771	50,728
	432,700	487,496

Minimum lease payments are as follows:

2004	90,137
2005	90,137
2006	90,137
2007	90,137
2008	90,137
	450,685
Thereafter, to 2010	180,280
	630,965
Less: imputed interest	(143,494)
	487,471

9. Unamortized capital allocations

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA accounts, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

10. Other commitments

The School Division entered into an agreement with Destination Conservation Ltd. whereby the division must pay $12,000 ($1,000 per school) for the delivery of the Destination Conservation Program. This agreement expired on September 17, 2002. On September 17, 2002, the School Division entered into a new agreement with Destination Conservation Ltd. whereby the division must pay $8,400 ($700 per school) for the delivery of the new Destination Conservation Program annually for 6 years.

11. Lease commitments

The School Division has entered into various lease agreements with estimated minimum annual payments as follows:

2004	399,495
2005	287,643
2006	195,775
2007	183,241
2008	120,572

12. Economic dependence

The School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

13. Financial instruments

The School Division, as part of its operations, has a number of financial instruments. It is management's opinion that the School Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The School Board has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustee Act.

14. Comparative figures

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

15. **Contingent liabilities**

During 2001, the School Division became aware that certain employees may have been omitted from the Local Authorities Pension Plan. This may require a payment for past service by the School Division. The amount of the payment is unknown at this time.

The School Division has been advised by Canada Customs and Revenue Agency that it is permissible for the individuals in question to transfer the funds from their RRSP's directly to the LAPP fund.

16. **Budget amounts**

The budget was prepared by the School Division and approved by the Board of trustees. It is presented for information purposes only and has not been audited.

17. **Prior period adjustment**

Deferred Capital Allocations (2002 - $6,777,813) has been increased to $6,948,115 and Supported School Capital reserves (2002 - $170,302) has been decreased to $0, as a result of a change in accounting treatment regarding net proceeds on the sale of supported capital assets.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin.	External Services
Alberta Learning allocations									
(1) Instruction block	$26,092,577	$1,234,925	$24,857,652						
(2) Support block	$3,101,718				$1,703,919			$1,397,799	
(3) Instruction & support block reallocations	$0	($100,000)	$76,694		$23,306			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$610,640	$0	$610,640						
(5) Student Health Initiative (SHI)	$90,087	$0	$90,087						$0
(6) Supernet Access	$15,300		$15,300					$0	
(7) Teacher Salary Enhancement (TSE)	$1,065,000	$0	$1,046,887					$18,113	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$171,135	$0	$0	$0	$0			$0	$171,135
(11) **Total Alberta Learning Revenue**	$31,146,467	$1,134,925	$26,697,270	$0	$1,727,225			$1,415,912	$171,135
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$730,292	$0	$0	$730,292					
(13) Operations & Maintenance support	$3,078,299			$3,078,299					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$3,808,591	$0	$0	$3,808,591					
(16) **Alberta Finance**	$648,487			$648,487	$0			$0	$0
(17) **Other - Government of Alberta**	$19,284	$0	$0	$0	$0			$0	$19,284
(18) **Federal Government and/or First Nations**	$105,631	$0	$105,631	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$86,872	$0	$0	$0	$0			$0	$86,872
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$358,993	$10,802	$348,191						
(23) **Transportation fees**	$11,898				$11,898				
(24) **Other sales and services**	$308,667	$0	$88,559	$67,984	$92,726			$69,158	$10,242
(25) **Investment income**	$90,830	$0	$0	$90,830	$0			$0	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$11,347		$11,347	$0	$0			$0	$0
(28) **Net school generated funds**	$143,523		$143,523					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$1,897,058		$131,547	$1,756,265	$9,246				$0
(31) **TOTAL REVENUES**	$38,647,648	$1,145,527	$27,506,268	$8,372,157	$1,841,095			$1,485,068	$287,533
EXPENSES									
(32) **Certificated salaries**	$18,117,501	$818,880	$17,238,800				$259,811	$259,811	$0
(33) **Certificated benefits**	$2,468,131	$88,086	$2,356,947				$23,098	$23,098	$0
(34) **Uncertificated salaries and wages**	$5,802,080	$256,105	$3,430,208	$630,926	$680,966	$71,122	$457,511	$528,633	$72,252
(35) **Uncertificated benefits**	$1,111,313	$54,247	$727,213	$132,001	$60,779	$26,336	$94,443	$120,779	$16,294
(36) **SUB - TOTAL**	$27,209,125	$1,017,328	$23,756,258	$762,927	$741,745	$97,458	$834,863	$932,321	$88,546
(37) **Services, contracts & supplies**	$7,688,357	$55,216	$3,100,746	$3,988,788	$972,690	$185,425	$255,526	$440,951	$208,987
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$143,523		$143,523						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,887,812	$0	$131,547	$1,756,265	$0		$0	$0	$0
(41) Unsupported	$312,222	$0	$116,437	$102,095	$43,248	$0	$50,442	$50,442	$0
(42) Total Amortization	$2,200,034	$0	$247,984	$1,858,360	$43,248	$0	$50,442	$50,442	$0
Interest on capital debt									
(43) Supported	$648,487	$0	$0	$648,487	$0		$0	$0	$0
(44) Unsupported	$40,208	$0	$0	$40,208	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) **Losses on disposal of capital assets**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$38,297,792	$1,072,544	$27,347,510	$8,398,808	$1,757,683	$282,883	$1,140,831	$1,423,714	$287,533
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$349,856	$72,983	$158,758	($26,651)	$83,412			$61,354	$0
Applicable student numbers/FTE equivalent	5,079.0	354	4,907.0	5,079.0	2,335			5,079.0	
AVERAGE PROGRAM COSTS per student	$7,540	$3,030	$5,579	$1,200	$753			$280	

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$12,694,870	$2,192,948	$0	$1,189,150	$633,363	$473,217	$55,342	$17,238,890
Certificated benefits	$1,717,627	$244,141	$0	$168,743	$164,314	$51,907	$10,215	$2,356,947
Uncertificated salaries and wages	$332,451	$1,357,255	$0	$352,331	$1,354,437	$36,734	$0	$3,433,208
Uncertificated benefits	$72,721	$287,490	$0	$74,630	$286,893	$5,479	$0	$727,213
SUB - TOTAL REMUNERATION	$14,817,669	$4,081,834	$0	$1,784,854	$2,439,007	$567,337	$65,557	$23,756,258
Services, contracts & supplies	$2,446,934	$441,450	$0	$64,737	$156,554	$65,530	$24,540	$3,199,745
Cost recoveries & transfers	$0		$0	$0	$0	$0	$0	$0
Net school generated funds	$143,523							$143,523
Amortization of capital assets								
Supported	$131,547	$0	$0					$131,547
Unsupported	$116,437	$0	$0					$116,437
Total Amortization	$247,984	$0	$0					$247,984
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$17,656,110	$4,523,284	$0	$1,849,591	$2,595,561	$632,867	$90,097	$27,347,510
FTE Certificated				24.1	12.2			
FTE Uncertificated				9.6	64.4			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$21,348,769	$1,762,924	$460,607	$76,694	$23,648,994	$18,003,052	$5,645,942
School Admin & Instruction Support Expenses						$4,523,284	($4,523,284)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$21,348,769	$1,762,924	$460,607	$76,694	$23,648,994	$22,526,336	$1,122,658
Sub-Programs & Initiatives							
Severely Disabled	$2,716,650		$0		$2,716,650	$2,595,561	$121,089
English as a Second Language	$42,937				$42,937	$79,947	($37,010)
Enhanced Opportunities	$41,000				$41,000	$40,426	$574
First Nations, Metis, and Inuit Education	$51,237		$0		$51,237	$51,637	($400)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$9,612				$9,612		$9,612
Growth & Density	$37,609				$37,609		$37,609
Teacher Assistants Program	$105,258				$105,258	$105,258	$0
Early Literacy Initiative (K-2)	$187,529				$187,529	$194,992	($7,463)
Learning Resources Credit & Resources for the Classroom	$48,124	$0	$348,391		$396,515	$949,656	($553,141)
Technology Integration	$208,421		$0		$208,421	$744,312	($535,891)
French Language Program & Francisation (all jurisdictions)	$59,385		$0		$59,385	$59,385	$0
Home Education	$1,121		$0		$1,121	$0	$1,121
Total Sub-Programs & Initiatives	$3,508,883		$348,391		$3,857,274	$4,821,174	($963,900)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$24,857,652	$1,762,924	$808,998	$76,694	$27,506,268	$27,347,510	$158,758

School Jurisdiction Code: 19

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,234,925	$24,857,652		$1,703,919	$1,397,799	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		($23,306)		$23,306		
Calculation: 2% of *$26,092,577* *=* *$521,852* *($23,306)*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	($100,000)	$100,000				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($100,000)	$76,694		$23,306	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 19

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$25,884,156
Support Block - Transportation	$1,703,919
SUBTOTAL	$27,588,075

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,078,299
Teacher Salary Enhancement	$1,065,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$19,284
Federal government/First Nations	$105,631
Other Alberta school authorities	$96,872
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$308,667
Interest on investments	$90,830
Rentals of facilities	$11,347
Gains on disposal of capital assets	$0
Amortization of capital allocations	$1,897,058
School generated funds (Schedule E)	$983,727
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$35,244,790**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**4.55%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,603,638

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0

(If none of these considerations apply, leave the above cells blank)

MAXIMUM EXPENSE LIMIT	**$1,603,638**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,423,714
PLUS: transfers to Restricted - Operating (Board/System Administration)	$55,000
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,478,714
Maximum Expense Limit for Board & System Administration (Step 3)	$1,603,638
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$124,924

School Jurisdiction Code: 19

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$529,750
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$983,727	
Less: SGF - related cost recoveries (Note 3)	$874,956	
- capitalized at the District level (Note 4)	$0	
Net Total	$108,771	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$108,771
Net SGF Available for discretionary spending		$638,521
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$143,523
Unexpended SGF - Closing Balance August 31, 2003		$494,998

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 19

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$491,079	$0	$0	$139,847	$630,926		$630,926
Uncertificated benefits	$0	$106,715	$0	$0	$25,286	$132,001		$132,001
Sub-total Remuneration	$0	$597,794	$0	$0	$165,133	$762,927		$762,927
Contracted Services	$786,719	$329,918	$9,736	$756,031	$0	$1,882,404		$1,882,404
Supplies	$0	$214,253	$0	$0	$0	$214,253		$214,253
Electricity			$537,228			$537,228		$537,228
Natural Gas/Heating Fuel			$325,209			$325,209		$325,209
Sewer and Water			$43,281			$43,281		$43,281
Telecommunications			$40,230			$40,230		$40,230
Insurance					$46,163	$46,163		$46,163
Amortization of capital assets								
Supported							$1,756,265	$1,756,265
Unsupported						$102,095		$102,095
Total Amortization						$102,095	$1,756,265	$1,858,360
Interest on capital debt								
Supported							$648,487	$648,487
Unsupported						$40,266		$40,266
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$786,719	$1,141,965	$955,684	$756,031	$211,296	$3,994,056	$2,404,752	$6,398,808
SQUARE METRES								
School Buildings								54,427.0
Non School Buildings								721.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety staindards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name Mr. Gordon Bontje	1.0	$10,734	$4,053	$0	$0	$0	$14,787	$1,229
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:								
Name Mr. Lloyd Baumgarten	1.0	$11,485	$3,937	$0	$0	$0	$15,422	$2,546
Name Mrs. Elaine Halter	1.0	$10,295	$4,143	$0	$0	$0	$14,438	$2,720
Name Mrs. Bev Heisler	1.0	$11,615	$4,197	$0	$0	$0	$15,812	$4,167
Name Mr. Liam McNiff	1.0	$8,065	$2,945	$0	$0	$0	$11,010	$585
Name Mr. Steve Taylor	1.0	$9,750	$3,013	$0	$0	$0	$12,763	$3,927
Name Mrs. Debby Whitecotton	1.0	$9,180	$4,049	$0	$0	$0	$13,229	$1,246
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal	*7.0*	*$71,124*	*$26,337*	*$0*	*$0*	*$0*	*$97,461*	*$16,420*
Superintendent Mr. Don Dolan	1.0	$126,317	$9,516	$0	$0	$0	$135,833	$11,887
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Mr. Richard Dornstauder	0.0	$105,096	$15,778	$0	$0	$0	$120,874	$7,569
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	287.5	$17,991,274	$2,458,615	$0	$0	$0	$20,449,889	
Uncertificated Salaries & Wages	336.0	$5,425,870	$1,069,198	$0	$0	$0	$6,495,068	
TOTALS		**$23,719,681**	**$3,579,444**	**$0**	**$0**	**$0**	**$27,299,125**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 19

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 3070

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Red Deer Public School District No.104
Name of School Jurisdiction

4747-53rd Street, Red Deer , Alberta T4N 2E6
Mailing Address

phone (403) 343-1405 fax (403) 342-3780
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Red Deer Public School District No 104 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mrs. C. Jefferies	"Original Signed By"
Name	**Signature**

SUPERINTENDENT

Mr. D. Falk	"Original Signed By"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Mrs. D Beck	"Original Signed By"
Name	**Signature**

26-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 3070

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AUDITORS' REPORT

To the Board of Trustees
Red Deer Public School District No. 104

We have audited the statement of financial position of the **Red Deer Public School District No. 104** as at **August 31, 2003** and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Collins Barrow Red Deer LLP

Chartered Accountants

Red Deer, Alberta
November 7, 2003

School Jurisdiction Code: 3070

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$27,708,577	$29,803,642
Accounts receivable (net after allowances)		$3,477,575	$3,763,237
Prepaid expenses		$224,966	$266,998
Other current assets		$271,188	$263,867
Total current assets		$31,682,306	$34,097,744
School generated assets		$1,371,965	$1,395,124
Trust assets		$347,570	$414,892
Long term accounts receivable		$0	$0
Capital assets			
Land		$1,416,015	$1,416,015
Buildings	$75,115,815		
Less: accumulated amortization	($31,916,636)	$43,199,179	$39,269,296
Equipment	$8,586,734		
Less: accumulated amortization	($6,553,617)	$2,033,117	$2,273,631
Vehicles	$1,181,265		
Less: accumulated amortization	($764,935)	$416,330	$441,065
Total capital assets		$47,064,641	$43,400,007
TOTAL ASSETS		$80,466,482	$79,307,767
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$4,587,864	$2,943,322
Deferred revenue		$1,228,170	$1,631,208
Deferred capital allocations		$22,138,632	$25,466,578
Current portion of all long term debt		$2,176,186	$2,185,186
Total current liabilities		$30,130,852	$32,226,294
School generated liabilities		$1,371,965	$1,395,124
Trust liabilities		$347,570	$414,892
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$18,413,468	$20,598,654
	Less: Current portion of supported debt	($2,176,186)	($2,185,186)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$22,925,020	$16,725,431
Total long term liabilities		$40,881,837	$36,948,915
TOTAL LIABILITIES		$71,012,689	$69,175,209
NET ASSETS			
Unrestricted net assets		$523,713	$1,365,102
Operating Reserves		$3,111,629	$2,619,186
Accumulated Operating Surplus (Deficit)		$3,635,342	$3,984,288
Investment in capital assets		$5,726,151	$6,075,921
Capital Reserves		$92,300	$72,350
Total Capital Funds		$5,818,451	$6,148,271
Total net assets		$9,453,793	$10,132,559
TOTAL LIABILITIES AND NET ASSETS		$80,466,482	$79,307,768

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 3070

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$54,368,169	$54,120,767	$54,471,836
Alberta Infrastructure	$6,375,861	$6,083,773	$3,276,860
Alberta Finance	$1,830,775	$2,166,098	$2,042,900
Other Government of Alberta	$462,376	$569,822	$432,664
Federal Government and/or First Nations	$2,609	$76,380	$9,007
Other Alberta school authorities	$127,613	$47,741	$145,909
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$24,677	$0	$5,214
Instruction resource fees	$1,031,373	$283,640	$1,029,208
Transportation fees	$293,808	$316,900	$252,671
Other sales and services	$1,065,944	$736,999	$1,098,223
Investment income	$256,548	$460,000	$224,492
Gifts and donations	$73,872	$0	$69,293
Rentals of facilities	$70,262	$43,000	$67,659
Net school generated funds	$154,180	$300,000	$197,363
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$2,380,460	$2,749,710	$2,444,442
Total Revenues	$68,518,527	$67,954,830	$65,767,741
EXPENSES			
Certificated salaries	$35,075,452	$34,949,560	$33,467,451
Certificated benefits	$4,831,801	$4,701,177	$4,431,580
Uncertificated salaries and wages	$10,738,576	$9,419,943	$9,748,360
Uncertificated benefits	$1,533,294	$1,452,581	$1,529,509
Services, contracts and supplies	$11,950,637	$11,487,495	$10,608,856
Net school generated funds	$154,180	$300,000	$197,363
Capital and debt services			
Amortization of capital assets			
Supported	$2,380,460	$2,749,710	$2,444,442
Unsupported	$694,466	$728,266	$622,356
Total Amortization of capital assets	$3,074,926	$3,477,976	$3,066,798
Interest on capital debt			
Supported	$1,830,775	$2,166,098	$2,042,900
Unsupported	$0	$0	$0
Total Interest on capital debt	$1,830,775	$2,166,098	$2,042,900
Other interest charges	$7,652	$0	$8,201
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$69,197,293	$67,954,830	$65,101,018
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($678,766)	$0	$666,723
Block BORP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($678,766)	$0	$666,723

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 3070

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($678,766)	$666,723
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,380,460)	($2,444,442)
Total amortization expense	$3,074,926	$3,066,798
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$285,662	($708,496)
Prepaids and other current assets	$34,711	($1,767)
Payables and accrued liabilities	$1,644,542	$530,171
Deferred revenue	($403,038)	$427,700
Employee future benefit expense (recovery)	$0	($162,952)
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$1,577,577	$1,373,735
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($6,149,847)	($3,058,335)
Equipment	($539,849)	($467,853)
Vehicles	($49,862)	($89,539)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($6,739,559)	($3,615,727)
C. FINANCING ACTIVITIES		
Capital allocations received	$3,066,917	$16,018,159
Issue of long term debt	$0	$0
Repayment of long term debt	($2,185,186)	($2,185,186)
Add back: supported portion	$2,185,186	$2,185,186
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$3,066,917	$16,018,159
Net sources (uses) of cash equivalents* during year	($2,095,065)	$13,776,167
Cash Equivalents at the beginning of the year	$29,803,642	$16,027,475
Cash Equivalents at the end of the year	$27,708,577	$29,803,642

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.
Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 3070

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$10,132,559	$6,075,921	$1,365,102	$2,691,536	$1,494,403	$0	$279,627	$0	$24,350	$580,996	$0	$264,160	$48,000	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$10,132,559	$6,075,921	$1,365,102	$2,691,536	$1,494,403	$0	$279,627	$0	$24,350	$580,996	$0	$264,160	$48,000	$0	$0
Surplus(def) of revenue over expenses	($678,766)		($678,766)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$344,696	($344,696)	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($3,074,926)	$3,074,926												
Amortization of capital allocations		$2,380,460	($2,380,460)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($580,179)	$580,179	$28,181		$0			$214,434		$337,564		$0	
Net transfers from operating reserves			$87,736	($87,736)	$0		($87,736)			$0		$0		$0	
Net transfers to capital reserves			($19,950)	$19,950		$0			$250		$5,700		$14,000		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$9,453,793	$5,726,151	$523,713	$3,203,929	$1,522,584	$0	$191,891	$0	$24,600	$795,430	$5,700	$601,724	$62,000	$0	$0

School Jurisdiction Code: 3070

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003
(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$25,466,578	$16,725,431
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$25,466,578	$16,725,431
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$2,302,971	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$763,946	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$2,185,186
Expended capital allocations - current year		($6,394,863)	$6,394,863
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$2,380,460
Balance at August 31, 2003		$22,138,632	$22,925,020

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

RED DEER PUBLIC SCHOOL DISTRICT NO. 104

NOTES TO THE FINANCIAL STATEMENTS
August 31, 2003

1. AUTHORITY AND PURPOSE

The Red Deer Public School District No. 104 delivers education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between instruction and support blocks.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

The accounting policies used in these financial statements are as follows:

Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they are related.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations are recorded as deferred contributions until the amount is invested in capital assets. Amounts invested representing funded capital assets are then transferred to unamortized capital contributions. Unamortized deferred capital contributions are recognized as earned revenue in the periods in which the related amortization expense of the funded capital asset is recorded. The related portion of amortization expense and the deferred capital contributions revenue are matched to indicate that the related amortization expense has been funded.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

Inventories

Inventories are valued at the lower of cost and net realizable value.

School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the School District as per Section 60 of the School Act because they come under the control and responsibility of the school principal and are for school activities. These funds are collected and retained at the school for expenditures paid at the school level.

Investments

Investments are stated at cost.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Only costs in excess of $5,000 are capitalized.

Vacation Pay

Vacation pay is recorded in the period in which the employee earns the benefit.

Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Contributed Services

Volunteers assist schools operated by the School District in carrying out certain activities. Because of the difficulty in determining fair value and the fact such assistance is not otherwise purchased, contributed services are not recognized in the financial statements.

Pensions

Pension costs included in these statements comprise the cost of the employer contributions for current service employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Red Deer Public School Division #104 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $523,146 (2002 - $474,759) for the year ended August 31, 2003.

At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2001 surplus of $634,960,000).

Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the jurisdiction at this time.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments

The jurisdiction's financial instruments consist of cash, receivables, accounts payable and accrued liabilities.

It is management's opinion that the company is not exposed to significant price, credit, liquidity or cash flow risks arising from these financial instruments except as follows:

The school jurisdiction is exposed to credit risk as it grants credit to its customers/parents in the normal course of business. To mitigate this risk the jurisdiction regularly reviews its accounts receivable list. Credit risk is the risk that the jurisdiction will incur a financial loss because a customer/parent has failed to discharge an obligation.

The school jurisdiction is exposed to interest rate price risk long-term debt bears interest at fixed rates. This risk is mitigated as the long-term debt is fully supported by Alberta Finance. Interest rate price risk is the risk that interest rates will decrease over the term of the obligation resulting in the company repaying its debt at a higher interest rate than if it had entered into a floating interest rate agreement.

The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

3. INVESTMENTS

The investments consist of guaranteed investment certificates bearing interest at rates ranging from 2.25% to 4.25% with maturity dates ranging from September 7, 2003 to September 7, 2004.

4. ACCOUNTS RECEIVABLE

	2003	2002
Province of Alberta	$ 2,174,971	$ 2,247,056
Federal Government	359,917	203,693
Alberta Municipalities	44,339	-
Other Alberta School Jurisdictions	30,418	282,237
Other	867,930	1,030,251
	$ 3,477,575	$ 3,763,237

5. TRUST ASSETS

	2003	2002
Deferred salary leave plan	$ 303,383	$ 362,315
Deferred salary retirement plan	44,187	52,577
	$ 347,570	$ 414,892

RED DEER PUBLIC SCHOOL DISTRICT NO. 104

NOTES TO THE FINANCIAL STATEMENTS

August 31, 2003

6. BANK INDEBTEDNESS

The School District maintains a revolving credit facility with an authorized limit of $4,000,000 bearing interest at prime less 1/2%. Collateral is provided by a general assignment of book debts.

7. ACCOUNTS PAYABLE

	2003	2002
Province of Alberta	$ 597,926	$ 1,171,889
Federal Government	831,685	5,661
Alberta Municipalities	425	31,336
Other Alberta School Jurisdictions	14,736	238,933
Other trade payables and accrued liabilities	3,143,092	1,495,503
	$ 4,587,864	$ 2,943,322

8. DEFERRED REVENUE

	2003	2002
One-time grant funding	$ 476,403	$ 116,035
Building quality and restoration projects	-	687,194
External programs	394,503	566,340
Other	357,264	261,639
	$ 1,228,170	$ 1,631,208

9. LONG-TERM DEBT

	2003	2002
Supported debentures with initial term of 20 years maturing 2003 to 2015, with interest rates varying between 7 1/2% and 12% repayable in annual instalments of principal and interest. The debenture debt is fully supported by Alberta Finance.	$ 18,413,468	$ 20,598,654
Less amount due within one year	2,176,186	2,185,186
	$ 16,237,282	$ 18,413,468

The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount.

RED DEER PUBLIC SCHOOL DISTRICT NO. 104
NOTES TO THE FINANCIAL STATEMENTS
August 31, 2003

9. LONG-TERM DEBT (continued)

Principal repayments estimated for the next five years are as follows:

2004	$ 2,176,186
2005	2,176,186
2006	2,126,089
2007	1,942,774
2008	1,741,349
Subsequent	8,250,884
	$ 18,413,468

10. RESERVES

Reserves represent funds appropriated from accumulated surplus for future capital expenditures and future operating expenses. The reserves are established and expended in accordance with terms and conditions established by the Board of Trustees.

11. ALLOCATIONS FROM PROVINCE OF ALBERTA (Related Third Party Transactions)

	2003 Actual	2003 Budget	2002 Actual
Alberta Learning	$ 54,368,169	$ 54,120,767	$ 56,927,527
Alberta Infrastructure	6,375,861	6,083,793	728,541
Alberta Finance	1,830,775	2,166,098	2,042,900
Other Government of Alberta	462,376	569,822	432,664
	$ 63,037,181	$ 62,940,460	$ 60,131,632

12. SCHOOL GENERATED FUNDS

	2003	2002
Balance, beginning of year	$ 1,395,124	$ 1,375,786
Source of school generated funds		
Total for the year	1,945,931	2,199,679
Related cost recoveries	(1,789,606)	(1,904,128)
Capitalized at the district level	(25,304)	(78,850)
Application of net school generated funds		
Net school generated funds expended	(154,179)	(197,363)
	$ 1,371,965	$ 1,395,124

13. CONTINGENCIES

Contingent asset – the jurisdiction is a member of Urban Schools Insurance Consortium. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

14. COMMITMENTS

In the current year, The Red Deer Public School District received $1,830,625 for the Lindsay Thurber Comprehensive High School modernization project. In the previous year, grants amounting to $1,645,567 and $13,038,964 were received for the Mattie McCullough School and modernization of Lindsay Thurber Comprehensive High School, respectively.

As at August 31, 2003 $4,550,261, $197,186 and $1,264,372 has been spent on the Mattie McCullough School project, the Westpark Elementary project, and the Lindsay Thurber modernization project respectively. The only project outstanding at the end of the year is the Lindsay Thurber modernization project and the total estimated cost for the project is $20,973,000.

15. ECONOMIC DEPENDENCE

The Red Deer Public School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

16. BUDGET

The 2002/2003 budget was approved by the Board of Trustees on June 12, 2002. It is presented for informative purposes only and has not been audited.

17. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Trustees on November 26, 2003.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 3070

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$46,403,281	$1,923,370	$44,479,911						
(2) Support block	$4,296,647				$2,139,015			$2,157,632	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$1,152,535	$0	$1,152,535						
(5) Student Health Initiative (SHI)	$260,798	$0	$260,798						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$2,115,000	$28,283	$2,062,297					$24,420	$0
(8) Regional P.D. Consortium (6 boards only)	$159,908								$159,908
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$0	$0	$0	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$54,388,169	$1,951,653	$47,935,541	$0	$2,139,015			$2,182,052	$159,908
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$769,690	$0	$0	$769,690					
(13) Operations & Maintenance support	$5,596,560			$5,596,560					
(14) Operations & Maintenance support (One-Time)	$9,611			$9,611					
(15) **Total Alberta Infrastructure Revenue**	$6,375,861	$0	$0	$6,375,861					
(16) **Alberta Finance**	$1,830,775			$1,830,775	$0			$0	$0
(17) **Other - Government of Alberta**	$462,376	$0	$103,436	$0	$0			$0	$358,940
(18) **Federal Government and/or First Nations**	$2,609	$0	$2,609	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$127,613	$0	$57,613	$0	$0			$0	$70,000
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$24,677	$0	$0	$0	$0			$0	$24,677
(22) **Instruction resource fees**	$1,031,373	$18,327	$1,013,046						
(23) **Transportation fees**	$293,808				$293,808				
(24) **Other sales and services**	$1,065,944	$0	$948,730	$0	$0			$0	$117,214
(25) **Investment income**	$256,548	$0	$246,286	$0	$0			$10,262	$0
(26) **Gifts and donations**	$73,872	$0	$73,872	$0	$0				$0
(27) **Rentals of facilities**	$70,262		$67,690	$0	$0			$2,572	$0
(28) **Net school generated funds**	$154,180		$154,180					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$2,380,460		$0	$2,380,460	$0				$0
(31) **TOTAL REVENUES**	$68,518,527	$1,969,980	$50,603,003	$10,587,096	$2,432,823			$2,194,886	$730,739
EXPENSES									
(32) **Certificated salaries**	$35,075,452	$857,111	$33,767,803				$449,952	$449,952	$586
(33) **Certificated benefits**	$4,831,801	$51,060	$4,711,350				$69,287	$69,287	$104
(34) **Uncertificated salaries and wages**	$10,738,576	$364,069	$6,808,486	$2,373,006	$43,031	$83,407	$622,115	$705,522	$444,462
(35) **Uncertificated benefits**	$1,535,294	$21,688	$873,931	$442,086	$8,536	$26,384	$82,257	$108,641	$79,242
(36) **SUB - TOTAL**	$52,179,123	$1,293,928	$46,160,740	$2,815,092	$51,567	$109,791	$1,223,611	$1,333,402	$524,394
(37) **Services, contracts & supplies**	$11,950,637	$178,678	$5,348,577	$3,574,708	$2,024,473	$17,566	$600,290	$617,856	$206,345
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$154,180		$154,180						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$2,380,460	$0	$0	$2,380,460	$0		$0	$0	$0
(41) Unsupported	$694,466	$0	$589,378	$73,457	$5,219	$0	$26,412	$26,412	$0
(42) Total Amortization	$3,074,926	$0	$589,378	$2,453,917	$5,219	$0	$26,412	$26,412	$0
Interest on capital debt									
(43) Supported	$1,830,775	$0	$0	$1,830,775	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$7,655	$0	$4,873	$0	$0		$2,782	$2,782	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$69,197,293	$1,472,606	$52,257,855	$10,674,582	$2,081,259	$127,357	$1,853,095	$1,980,452	$730,739
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($678,766)	$497,374	($1,654,852)	($87,486)	$351,564			$214,434	$0
Applicable student numbers/FTE equivalent	9,202.5	587	8,907.0	9,202.5	4,027			9,202.5	
AVERAGE PROGRAM COSTS per student	$7,519	$2,509	$5,867	$1,160	$517			$215	

School Jurisdiction Code: 3070

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$27,284,804	$2,692,260	$0	$1,313,407	$1,425,719	$1,051,613	$0	$33,767,803
Certificated benefits	$3,881,578	$221,904	$0	$244,110	$262,835	$100,923	$0	$4,711,350
Uncertificated salaries and wages	$1,577,987	$2,167,558	$0	$837,464	$2,050,628	$0	$174,849	$6,808,486
Uncertificated benefits	$224,487	$98,829	$0	$155,651	$378,038	$0	$16,096	$873,101
SUB - TOTAL REMUNERATION	$32,968,856	$5,180,551	$0	$2,550,632	$4,117,220	$1,152,536	$190,945	$46,160,740
Services, contracts & supplies	$4,705,611	$0	$0	$324,793	$268,230	$0	$49,853	$5,348,487
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$154,180							$154,180
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$589,378	$0	$0					$589,378
Total Amortization	$589,378	$0	$0					$589,378
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$4,870	$0						$4,870
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$38,422,895	$5,180,551	$0	$2,875,425	$4,385,450	$1,152,536	$240,798	$52,257,655
FTE Certificated				23.7	14.4			
FTE Uncertificated				22.2	77.1			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$38,855,962	$3,455,630	$1,498,755	$0	$43,810,347	$39,726,661	$4,083,686
School Admin & Instruction Support Expenses						$5,180,551	($5,180,551)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$38,855,962	$3,455,630	$1,498,755	$0	$43,810,347	$44,907,212	($1,096,865)
Sub-Programs & Initiatives							
Severely Disabled	$3,944,214		$0		$3,944,214	$4,385,450	($441,236)
English as a Second Language	$43,414				$43,414	$62,671	($19,257)
Enhanced Opportunities	$192,000				$192,000	$192,000	$0
First Nations, Metis, and Inuit Education	$106,756		$155,661		$262,417	$271,754	($9,337)
Institutional Programs	$570,804				$570,804	$570,804	$0
Sparsity & Distance	$0				$0		$0
Growth & Density	$22,105				$22,105		$22,105
Teacher Assistants Program	$163,310				$163,310	$166,367	($3,057)
Early Literacy Initiative (K-2)	$311,866				$311,866	$418,036	($106,170)
Learning Resources Credit & Resources for the Classroom	$170,832	$0	$1,013,046		$1,183,878	$1,183,878	$0
Technology Integration	$0		$0		$0	$0	$0
French Language Program & Francisation (all jurisdictions)	$96,406		$0		$96,406	$96,406	$0
Home Education	$2,242		$0		$2,242	$3,077	($835)
Total Sub-Programs & Initiatives	$5,623,949		$1,168,707		$6,792,656	$7,350,442	($557,786)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$44,479,911	$3,455,630	$2,667,462	$0	$50,603,003	$52,257,655	($1,654,652)

School Jurisdiction Code: 3070

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,923,370	$44,479,911		$2,139,015	$2,157,632	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$46,403,281* = *$928,066* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 3070

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$46,403,281
Support Block - Transportation	$2,139,015
SUBTOTAL	$48,542,296

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$5,596,560
Teacher Salary Enhancement	$2,115,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$462,376
Federal government/First Nations	$2,609
Other Alberta school authorities	$127,613
Out of province local authorities	$0
Alberta municipalities	$24,677
Other sales and services	$1,065,944
Interest on investments	$256,548
Rentals of facilities	$70,262
Gains on disposal of capital assets	$0
Amortization of capital allocations	$2,380,460
School generated funds (Schedule E)	$1,945,931
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$62,590,276**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	4.00%
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$2,503,611

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$2,503,611**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,980,452
PLUS: transfers to Restricted - Operating (Board/System Administration)	$214,434
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,194,886
Maximum Expense Limit for Board & System Administration (Step 3)	$2,503,611
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$308,725

School Jurisdiction Code: 3070

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$1,395,124
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,945,931	
Less: SGF - related cost recoveries (Note 3)	$1,789,606	
- capitalized at the District level (Note 4)	$25,304	
Net Total	$131,021	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$131,021
Net SGF Available for discretionary spending		$1,526,145
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$154,180
Unexpended SGF - Closing Balance August 31, 2003		$1,371,965

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 3070

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,656,485	$536,647	$0	$0	$179,874	$2,373,006		$2,373,006
Uncertificated benefits	$308,600	$99,976	$0	$0	$33,510	$442,086		$442,086
Sub-total Remuneration	$1,965,085	$636,623	$0	$0	$213,384	$2,815,092		$2,815,092
Contracted Services	$0	$0	$0	$0	$0	$0		$0
Supplies	$159,645	$677,418	$24,870	$769,690	$14,649	$1,646,272		$1,646,272
Electricity			$978,464			$978,464		$978,464
Natural Gas/Heating Fuel			$761,555			$761,555		$761,555
Sewer and Water			$81,104			$81,104		$81,104
Telecommunications			$41,113			$41,113		$41,113
Insurance					$66,290	$66,290		$66,290
Amortization of capital assets								
Supported							$2,380,460	$2,380,460
Unsupported						$73,457		$73,457
Total Amortization						$73,457	$2,380,460	$2,453,917
Interest on capital debt								
Supported							$1,830,775	$1,830,775
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$2,124,730	$1,314,041	$1,887,106	$769,690	$294,323	$6,463,347	$4,211,235	$10,674,582
SQUARE METRES								
School Buildings								102,767.5
Non School Buildings								3,252.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 3070

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Cindy Jefferies	1.0	$15,093	$4,341	$0	$0	$0	$19,434	$3,319
	0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:								
Bill Stuebing, Vice Chair	1.0	$12,852	$3,587	$0	$0	$0	$16,439	$1,188
G. Holland	1.0	$11,466	$2,136	$0	$0	$0	$13,602	$2,647
D. McKay	1.0	$10,694	$4,080	$0	$0	$0	$14,774	$1,756
B. Manning	1.0	$10,624	$4,080	$0	$0	$0	$14,704	$1,836
J. Watters	1.0	$11,912	$4,080	$0	$0	$0	$15,992	$4,737
D. Kubanek	1.0	$10,765	$4,080	$0	$0	$0	$14,845	$2,083
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal	*7.0*	*$83,406*	*$26,384*	*$0*	*$0*	*$0*	*$109,790*	*$17,566*
D. Falk Superintendent	1.0	$115,613	$8,566	$0	$0	$0	$124,179	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
D. Beck Secretary Treasurer	1.0	$103,033	$14,820	$0	$0	$0	$117,853	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	666.0	$34,959,839	$4,823,235	$0	$0	$0	$39,783,074	
Uncertificated Salaries & Wages	480.0	$10,552,137	$1,492,090	$0	$0	$0	$12,044,227	
TOTALS		**$45,814,028**	**$6,365,095**	**$0**	**$0**	**$0**	**$52,179,123**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 3070

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1190

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

ROCKY VIEW SCHOOL DIVISION NO.41
Name of School Jurisdiction

2616 18th STREET NE, CALGARY, AB, T2E 7R1
Mailing Address

403-250-1504 403-219-6250
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules ROCKY VIEW SCHOOL DIVISION NO 41 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

WENDY METZGER	"Original Signed By"
Name	Signature

SUPERINTENDENT

LYALL THOMSON	"Original Signed By"
Name	Signature

SECRETARY TREASURER OR TREASURER

DARRELL COUTURE	"Original Signed By"
Name	Signature

27-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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Deloitte
& Touche

Auditors' Report

To the Board of Trustees of
Rocky View School Division No. 41:

We have audited the statement of financial position of **Rocky View School Division No. 41** (the "Jurisdiction") as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the Jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Jurisdiction as at August 31, 2003 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Deloitte & Touche LLP

Calgary, Alberta
November 7, 2003

Chartered Accountants

Deloitte
Touche
Tohmatsu

School Jurisdiction Code: 1190

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$16,016,290	$26,533,932
Accounts receivable (net after allowances)		$2,291,990	$1,091,232
Prepaid expenses		$93,244	$185,655
Other current assets		$75,781	$95,701
Total current assets		$18,477,305	$27,906,520
School generated assets		$2,398,513	$2,326,688
Trust assets		$343,914	$369,996
Long term accounts receivable		$13,313	$0
Capital assets			
Land		$1,130,971	$1,130,971
Buildings	$166,906,810		
Less: accumulated amortization	($47,411,603)	$119,495,207	$114,104,455
Equipment	$11,846,619		
Less: accumulated amortization	($7,688,285)	$4,158,334	$4,655,280
Vehicles	$607,619		
Less: accumulated amortization	($466,847)	$140,772	$230,154
Total capital assets		$124,925,284	$120,120,860
TOTAL ASSETS		$146,158,329	$150,724,064
LIABILITIES			
Current liabilities			
Bank indebtedness		$243,672	$378,099
Accounts payable and accrued liabilities		$7,553,162	$8,657,543
Deferred revenue		$2,283,041	$4,992,355
Deferred capital allocations		($2,077,868)	$5,262,080
Current portion of all long term debt		$3,281,900	$3,534,815
Total current liabilities		$11,283,907	$22,824,892
School generated liabilities		$2,398,513	$2,326,688
Trust liabilities		$343,914	$369,996
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$23,951,460	$27,484,382
	Less: Current portion of supported debt	($3,280,008)	($3,532,923)
Unsupported:	Debentures and Capital Loans	$15,141	$17,034
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($1,892)	($1,892)
Unamortized capital allocations		$96,042,957	$87,451,535
Total long term liabilities		$119,470,085	$114,114,820
TOTAL LIABILITIES		$130,753,992	$136,939,712
NET ASSETS			
Unrestricted net assets		$1,914,367	$1,914,363
Operating Reserves		$6,779,231	$4,987,835
Accumulated Operating Surplus (Deficit)		$8,693,598	$6,902,198
Investment in capital assets		$4,915,719	$5,167,900
Capital Reserves		$1,795,020	$1,714,254
Total Capital Funds		$6,710,739	$6,882,154
Total net assets		$15,404,337	$13,784,352
TOTAL LIABILITIES AND NET ASSETS		$146,158,329	$150,724,064

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1190

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$86,440,033	$80,373,754	$80,506,089
Alberta Infrastructure	$9,531,465	$9,286,597	$4,579,044
Alberta Finance	$2,754,457	$2,975,000	$3,332,075
Other Government of Alberta	$45,679	$0	$63,766
Federal Government and/or First Nations	$567,088	$593,453	$756,699
Other Alberta school authorities	$255,753	$0	$122,625
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$237,163	$0	$205,304
Instruction resource fees	$1,722,798	$1,370,750	$1,608,135
Transportation fees	$588,409	$650,000	$403,668
Other sales and services	$704,311	$88,400	$453,026
Investment income	$525,039	$155,900	$442,544
Gifts and donations	$0	$0	$0
Rentals of facilities	$438,304	$330,700	$354,754
Net school generated funds	$764,190	$800,000	$715,035
Gains on disposal of capital assets	$2,934	$0	$9,151
Amortization of capital allocations	$3,621,242	$5,000,000	$5,555,290
Total Revenues	$108,198,865	$101,624,554	$99,107,205
EXPENSES			
Certificated salaries	$50,226,305	$45,367,865	$45,189,674
Certificated benefits	$5,665,651	$4,492,081	$4,697,330
Uncertificated salaries and wages	$15,093,244	$15,089,722	$14,363,863
Uncertificated benefits	$3,115,644	$2,779,774	$2,636,901
Services, contracts and supplies	$24,702,973	$25,078,634	$22,451,667
Net school generated funds	$764,190	$800,000	$715,035
Capital and debt services			
Amortization of capital assets			
Supported	$3,621,242	$5,000,000	$5,555,290
Unsupported	$623,717	$500,000	$593,504
Total Amortization of capital assets	$4,244,959	$5,500,000	$6,148,794
Interest on capital debt			
Supported	$2,754,456	$2,756,000	$3,142,075
Unsupported	$1,661	$1,478	$1,845
Total Interest on capital debt	$2,756,117	$2,757,478	$3,143,920
Other interest charges	$9,798	$69,000	$4,241
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$106,578,880	$101,934,554	$99,351,425
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$1,619,985	($310,000)	($244,220)
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$1,619,985	($310,000)	($244,220)

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1190

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$1,619,985	($244,220)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($3,621,242)	($5,555,290)
Total amortization expense	$4,244,959	$6,148,794
Gains on disposal of capital assets	($2,934)	($9,151)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($1,214,071)	($197,508)
Prepaids and other current assets	$112,331	$853,288
Payables and accrued liabilities	($1,104,381)	$97,224
Deferred revenue	($2,709,314)	$94,578
Employee future benefit expense (recovery)	$0	$0
Other (describe)		($720,597)
Total sources (uses) of cash from Operations	($2,674,667)	$467,118
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($8,008,778)	($14,180,764)
Equipment	($1,040,605)	($1,470,561)
Vehicles	$0	($35,441)
Net proceeds from disposal of capital assets	$2,934	$0
Other (describe)	$0	$731,597
Total sources (uses) of cash from investing activities	($9,046,449)	($14,955,169)
C. FINANCING ACTIVITIES		
Capital allocations received	$1,337,900	$17,210,449
Issue of long term debt	$0	
Repayment of long term debt	($3,534,815)	($3,904,884)
Add back: supported portion	$3,534,816	$3,904,885
Other (describe)	$0	
Total sources (uses) from Financing activities	$1,337,901	$17,210,450
Net sources (uses) of cash equivalents* during year	($10,383,215)	$2,722,399
Cash Equivalents at the beginning of the year	$26,155,833	$23,433,434
Cash Equivalents at the end of the year	$15,772,618	$26,155,833

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 1190

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$13,708,264	$5,167,900	$1,854,020	$6,686,344	$3,863,892	$952,730	$38,136	$0	$408,524	$593,378	$353,000	$476,684	$0	$0	$0
Prior period adjustments (describe)															
HCSA	$103,032	$0	$103,032	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
BENEFIT RESERVE	($42,689)	$0	($42,689)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
BEARSPAW KINDERGARTEN	$15,745	$0	$0	$15,745	$15,745	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$13,784,352	$5,167,900	$1,914,363	$6,702,089	$3,879,637	$952,730	$38,136	$0	$408,524	$593,378	$353,000	$476,684	$0	$0	$0
Surplus(def) of revenue over expenses	$1,619,985		$1,619,985												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$371,536	$0	($371,536)	($145,071)	($176,344)	($50,121)		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($4,244,959)	$4,244,959												
Amortization of capital allocations		$3,621,242	($3,621,242)												
Disposal of unsupported capital assets	$0		$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($2,338,681)	$2,338,681	$1,973,013		$188,258			$177,410				$0	
Net transfers from operating reserves			$352,093	($352,093)	($150,000)		($98,110)			($9,000)		($94,983)		$0	
Net transfers to capital reserves			($257,110)	$257,110		$0			$98,110		$159,000		$0		$0
Net transfers from capital reserves			$0	$0					$0		$0		$0		$0
Balance at August 31, 2003	$15,404,337	$4,915,719	$1,914,367	$8,574,251	$5,557,579	$776,386	$78,163	$0	$506,634	$761,788	$512,000	$381,701	$0	$0	$0

School Jurisdiction Code: 1190

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$5,262,080	$87,451,535
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$5,262,080	$87,451,535
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$971,874	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$214,589	
Interest earned on provincial government capital allocations		$151,437	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$3,534,816
Expended capital allocations - current year		($8,677,848)	$8,677,848
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$3,621,242
Balance at August 31, 2003		($2,077,868)	$96,042,957

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Rocky View School Division No. 41

NOTES TO THE FINANCIAL STATEMENTS

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b) Capital Assets

Capital Assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles & Buses	10% to 20%
Equipment & Furnishings	10% to 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Rocky View School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $ 665,029.71 for the Year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2001 surplus of $634,960,000).

f) Inventories

Inventories are recorded at the lesser of cost or net realizable value.

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses and annual service contracts fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k) Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the jurisdiction at this time.

3. ACCOUNTS RECEIVABLES

	2003	2002
Province of Alberta	$897,285	$15,800
Federal Government	$238,126	$452,311
Alberta Municipalities	0	0
Other Alberta School Jurisdictions	$255,752	$122,625
Other	$900,827	$500,496
Total	$2,291,990	$1,091,232

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $890,000 that bears interest at the bank prime rate less .25%. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2003 or August 31, 2002. The bank indebtedness shown on the Statement of Financial Position is outstanding cheques in our payroll and general account.

5. ACCOUNTS PAYABLE AND LIABILITIES

	2003	2002
Province of Alberta	$113,402	$63,428
Federal Government	0	$497
Alberta Municipalities	0	
Other Alberta School Jurisdictions	0	
Other Trade Payables and Accrued Liabilities	$7,439,760	$8,593,618
Total	$7,553,162	$8,657,543

Included in Other Trade Payables and Accrued Liabilities are amounts owed to related parties; Calgary Regional Consortium for $139,664 and Rocky View Adult Learning $36,310.

6. DEFERRED REVENUE

	2003	2002
Technology Integration Funding		
1999 One Time Grant	$395,611	$1,151,935
2002-2003 One Time Equivalent to 3% increase in grants	0	$311,071
One Time Operations & Maintenance support	$700,829	
2003 Budget One Time Grant for Transportation	$118,600	
Alberta Initiative for School Improvement	$55,527	$280,786
Block BQRP funding	0	$1,146,594
Other	$1,012,474	$2,101,969
Total	$2,283,041	$4,992,355

7. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas:

	2003	2002
Deferred Salary Leave Plan	$263,600	$289,931
Scholarship Trusts	$80,314	$80,065
Student Health Initiative Trust (SHI Banker Board)		
Total	$343,914	$369,996

8. LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6.875% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2003-2004	$3,280,007	$2,401,887	$5,681,894
2004-2005	$3,082,331	$2,072,410	$5,154,741
2005-2006	$2,862,442	$1,760,351	$4,622,793
2006-2007	$2,802,442	$1,469,308	$4,271,750
2007-2008	$2,635,590	$1,184,715	$3,820,305
2008 to maturity	$9,288,648	$2,609,534	$11,898,182
Total	$23,951,460	$11,498,205	$35,449,665

b) Capital Leases – Unsupported

There are currently no capital leases held by the jurisdiction.

9. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1,1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

11. COMMITMENTS

a) Building Projects
The jurisdiction is committed to further capital expenditures for the addition at Langdon School of approximately $91,500. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure.

b) Office Lease
The jurisdiction has leased the Education Support Centre building to July 31, 2005. The monthly rental is $26,220.

12. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Rocky View School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

13. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

14. COMPARATIVE FIGURES

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

The 2002 comparative figures Unrestricted Net Assets and Restricted Net Assets have been restated from those presented in the final version of the Audited Financial Statements for the Year Ended August 31, 2002. (See Note 15)

15. PRIOR PERIOD ADJUSTMENTS

a) Unrestricted Net Assets (2002 $1,854,020) have been increased to $1,914,363. This change reflects a reversal of previously booked health care spending account liability account for the charges in a prior year. The reversal arose from a change of estimates. The portion of the Benefit account surplus owed to employees was set up in a payable account ($42,689).

b) Restricted Net Assets (2002 $6,686,344) have been increased to $6,702,089. This was the receipt of $15,475 from the Bearspaw Private Kindergarten surplus which is set aside for capital purchase for the kindergarten at Bearspaw School.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 1190

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$68,568,156	$2,795,305	$65,772,851						
(2) Support block	$10,941,550				$7,609,373			$3,332,177	
(3) Instruction & support block reallocations	$0	($235,737)	$235,737		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$1,974,940	$0	$1,974,940						
(5) Student Health Initiative (SHI)	$601,862	$0	$601,862						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$2,969,000	$0	$2,938,794					$30,206	$0
(8) Regional P.D. Consortium (6 boards only)	$159,908								$159,908
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$1,224,617	$0	$994,425	$0	$190,179			$0	$40,013
(11) **Total Alberta Learning Revenue**	$86,440,033	$2,559,568	$72,518,609	$0	$7,799,552			$3,362,383	$199,921
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$1,241,350	$0	$0	$1,241,350					
(13) Operations & Maintenance support	$8,290,115			$8,290,115					
(14) Operations & Maintenance support (One-Time)	$0								
(15) **Total Alberta Infrastructure Revenue**	$9,531,465	$0	$0	$9,531,465					
(16) **Alberta Finance**	$2,754,457			$2,754,457	$0			$0	$0
(17) **Other - Government of Alberta**	$45,679	$0	$45,679	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$567,088	$24,436	$442,694	$80,654	$0			$19,304	$0
(19) **Other Alberta school authorities**	$255,753	$0	$0	$0	$255,753			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$237,163	$0	$195,288	$41,875	$0			$0	$0
(22) **Instruction resource fees**	$1,722,798	$14,522	$1,708,276						
(23) **Transportation fees**	$588,409				$588,409				
(24) **Other sales and services**	$704,311	$1,386	$63,745	$297,765	$0			$442	$340,973
(25) **Investment income**	$525,039	$16,059	$397,766	$47,086	$44,810			$19,318	
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$438,304		$257,482	$173,589	$0			$7,233	$0
(28) **Net school generated funds**	$764,190		$764,190					$0	
(29) **Gains on disposal of capital assets**	$2,934		$0	$2,934	$0			$0	$0
(30) **Amortization of capital allocations**	$3,621,242		$0	$3,621,242	$0				$0
(31) **TOTAL REVENUES**	$108,198,865	$2,815,971	$76,393,729	$16,551,067	$8,688,524			$3,408,680	$540,894
EXPENSES									
(32) **Certificated salaries**	$50,226,305	$1,466,197	$48,201,459				$558,649	$558,649	$0
(33) **Certificated benefits**	$5,665,651	$145,095	$5,485,226				$35,330	$35,330	$0
(34) **Uncertificated salaries and wages**	$15,093,244	$589,434	$9,028,435	$3,354,624	$334,869	$174,980	$1,508,718	$1,683,698	$102,184
(35) **Uncertificated benefits**	$3,115,644	$112,414	$2,044,859	$598,764	$48,659	$24,945	$274,323	$299,268	$11,880
(36) **SUB - TOTAL**	$74,100,844	$2,313,140	$64,759,779	$3,953,388	$383,528	$199,925	$2,377,020	$2,576,945	$114,064
(37) **Services, contracts & supplies**	$24,702,973	$290,035	$8,315,040	$6,080,730	$8,363,737	$110,398	$1,116,203	$1,226,601	$426,830
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$12,498	$296,276	$228,456	$35,405	$12,632	($585,267)	($572,635)	$0
(39) **Net school generated funds**	$764,190		$764,190						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$3,621,242	$0	$0	$3,621,242	$0		$0	$0	$0
(41) Unsupported	$623,717	$0	$379,345	$188,258	$0	$0	$56,114	$56,114	$0
(42) Total Amortization	$4,244,959	$0	$379,345	$3,809,500	$0	$0	$56,114	$56,114	$0
Interest on capital debt									
(43) Supported	$2,754,456	$0	$0	$2,754,456	$0		$0	$0	$0
(44) Unsupported	$1,661	$0	$0	$1,661	$0	$0	$0	$0	$0
(45) Other interest charges	$9,798	$298	$7,422	$880	$837		$361	$361	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$106,578,880	$2,815,971	$74,522,052	$16,829,070	$8,783,507	$322,955	$2,984,431	$3,287,386	$540,894
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$1,619,985	$0	$1,871,677	($278,003)	($94,983)			$121,294	$0
Applicable student numbers/FTE equivalent	14,188.5	763	13,807.0	14,162.5	10,097			14,188.5	
AVERAGE PROGRAM COSTS per student	$7,512	$3,729	$5,397	$1,188	$870			$232	

School Jurisdiction Code: 1190

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$38,478,169	$3,842,703	$397,267	$2,915,116	$1,036,941	$1,370,341	$160,922	$48,201,459
Certificated benefits	$4,554,029	$304,436	$33,000	$310,786	$114,786	$156,402	$11,787	$5,485,226
Uncertificated salaries and wages	$3,360,320	$2,490,655	$282,523	$1,516,402	$1,013,213	$95,742	$269,580	$9,028,435
Uncertificated benefits	$864,694	$495,738	$54,855	$308,121	$254,721	$22,400	$44,130	$2,044,659
SUB - TOTAL REMUNERATION	$47,257,212	$7,133,532	$767,645	$5,050,425	$2,419,661	$1,644,885	$486,419	$64,759,779
Services, contracts & supplies	$7,334,825	$25,446	$183,616	$55,404	$179,930	$401,372	$134,447	$8,315,040
Cost recoveries & transfers	$171,724	$0	$34,581	$7,065	$7,066	$75,840	$0	$296,276
Net school generated funds	$764,190							$764,190
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$379,345	$0	$0					$379,345
Total Amortization	$379,345	$0	$0					$379,345
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$7,422	$0						$7,422
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$55,914,718	$7,158,978	$985,842	$5,112,894	$2,606,657	$2,122,097	$620,866	$74,522,052
FTE Certificated				47.0	19.0			
FTE Uncertificated				72.4	48.1			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$61,498,139	$6,510,021	$2,166,844	$235,737	$70,410,741	$59,949,964	$10,460,777
School Admin & Instruction Support Expenses						$7,158,978	($7,158,978)
System Instruction Support Expenses						$985,842	($985,842)
Total Basic Instruction	$61,498,139	$6,510,021	$2,166,844	$235,737	$70,410,741	$68,094,784	$2,315,957
Sub-Programs & Initiatives							
Severely Disabled	$1,619,959		$0		$1,619,959	$2,606,657	($986,698)
English as a Second Language	$131,700				$131,700	$132,728	($1,028)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$55,018		$0		$55,018	$55,600	($582)
Institutional Programs	$0				$0		$0
Sparsity & Distance	$168,394				$168,394		$168,394
Growth & Density	$530,357				$530,357		$530,357
Teacher Assistants Program	$226,359				$226,359	$231,568	($5,209)
Early Literacy Initiative (K-2)	$472,445				$472,445	$0	$472,445
Learning Resources Credit & Resources for the Classroom	$324,208	$0	$1,708,276		$2,032,484	$2,032,484	$0
Technology Integration	$594,346		$0		$594,346	$1,115,689	($521,343)
French Language Program & Francisation (all jurisdictions)	$120,847		$0		$120,847	$132,542	($11,695)
Home Education	$31,079		$0		$31,079	$120,000	($88,921)
Total Sub-Programs & Initiatives	$4,274,712		$1,708,276		$5,982,988	$6,427,268	($444,280)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$65,772,851	$6,510,021	$3,875,120	$235,737	$76,393,729	$74,522,052	$1,871,677

School Jurisdiction Code: 1190

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$2,795,305	$65,772,851		$7,609,373	$3,332,177	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$68,568,156* = *$1,371,363* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	($235,737)	$235,737				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($235,737)	$235,737		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1190

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$67,973,810
Support Block - Transportation	$7,609,373
SUBTOTAL	$75,583,183

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$8,290,115
Teacher Salary Enhancement	$2,969,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$45,679
Federal government/First Nations	$567,088
Other Alberta school authorities	$255,753
Out of province local authorities	$0
Alberta municipalities	$237,163
Other sales and services	$704,311
Interest on investments	$525,039
Rentals of facilities	$438,304
Gains on disposal of capital assets	$2,934
Amortization of capital allocations	$3,621,242
School generated funds (Schedule E)	$3,828,487
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$97,068,298**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$3,882,732
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$3,882,732**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$3,287,386
PLUS: transfers to Restricted - Operating (Board/System Administration)	$177,410
LESS: transfers from Restricted - Operating (Board/System Administration)	-$9,000
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$3,455,796
Maximum Expense Limit for Board & System Administration (Step 3)	$3,882,732
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$426,936

School Jurisdiction Code: 1190

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$2,326,688
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$3,828,487	
Less: SGF - related cost recoveries (Note 3)	$3,111,088	
- capitalized at the District level (Note 4)	$0	
Net Total	$717,399	
Plus: Donations Received (Note 5)	$118,616	
Equals: Net Additions to SGF		$836,015
Net SGF Available for discretionary spending		$3,162,703
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$764,190
Unexpended SGF - Closing Balance August 31, 2003		$2,398,513

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1190

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$2,548,426	$649,147	$0	$0	$157,051	$3,354,624		$3,354,624
Uncertificated benefits	$382,997	$187,036	$0	$0	$28,731	$598,764		$598,764
Sub-total Remuneration	$2,931,423	$836,183	$0	$0	$185,782	$3,953,388		$3,953,388
Contracted Services	$139,048	$620,456	$0	$1,214,837	$0	$1,974,341		$1,974,341
Supplies	$353,879	$756,944	$0	$26,516	$0	$1,137,340		$1,137,340
Electricity			$1,643,320			$1,643,320		$1,643,320
Natural Gas/Heating Fuel			$770,164			$770,164		$770,164
Sewer and Water			$336,514			$336,514		$336,514
Telecommunications			$20,743			$20,743		$20,743
Insurance					$198,308	$198,308		$198,308
Amortization of capital assets								
Supported							$3,621,242	$3,621,242
Unsupported						$188,258		$188,258
Total Amortization						$188,258	$3,621,242	$3,809,500
Interest on capital debt								
Supported							$2,754,456	$2,754,456
Unsupported						$1,661		$1,661
Other interest charges						$880		$880
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$228,456		$228,456
TOTAL EXPENSES	$3,424,350	$2,213,583	$2,770,741	$1,241,353	$384,090	$10,453,372	$6,375,698	$16,829,070
SQUARE METRES								
School Buildings								158,099.0
Non School Buildings								1,090.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1190

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Terry Patey	1.0	$26,080	$1,143	$0	$0	$0	$27,223	$5,858
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Cindy Berry	1.0	$22,610	$4,474	$0	$0	$0	$27,084	$5,193
Name	Lorne Kosack	1.0	$24,009	$2,531	$0	$0	$0	$26,540	$1,908
Name	Kim Salkeld	1.0	$26,844	$4,719	$0	$0	$0	$31,563	$2,063
Name	Maureen Munro	1.0	$23,101	$4,179	$0	$0	$0	$27,280	$2,732
Name	John Murray	1.0	$27,377	$3,309	$0	$0	$0	$30,686	$4,282
Name	Wendy Metzger	0.0	$24,959	$4,590	$0	$0	$0	$29,549	$3,245
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*6.0*	*$174,980*	*$24,945*	*$0*	*$0*	*$0*	*$199,925*	*$25,281*
Superintendent	Lyall Thomson	1.0	$139,285	$9,827	$6,000	$0	$0	$155,112	$15,744
Superintendent		0.0	$0	$0	$0	$0	$0	$0	
Secretary/Treasurer	Darrell Couture	1.0	$125,663	$14,845	$4,200	$0	$0	$144,708	$7,952
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		787.0	$50,081,020	$5,655,824	$0	$0	$0	$55,736,844	
Uncertificated Salaries & Wages		502.0	$14,788,401	$3,075,854	$0	$0	$0	$17,864,255	
TOTALS			**$65,309,349**	**$8,781,295**	**$10,200**	**$0**	**$0**	**$74,100,844**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 1190

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 7020

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

St. Albert Protestant Separate School District No. 6
Name of School Jurisdiction

60 Sir Winston Churchill Avenue, St. Albert, AB T8N 0G4
Mailing Address

Phone: 780-460-3712 Fax: 780-460-7686
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules St. Albert Protestant Separate School District No. 6 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name	Signature
Joan Trettler	"Original Signed By"

SUPERINTENDENT

Name	Signature
Joseph M. Demko	"Original Signed By"

SECRETARY TREASURER OR TREASURER

Name	Signature
Michael R. Brenneis, BComm, CA	"Original Signed By"

Original Dated November 26, 2003
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 7020

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PRICEWATERHOUSECOOPERS

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October 31, 2003

Auditors' Report

To the Board of Trustees of
St. Albert Protestant Separate School District No. 6

We have audited the statement of financial position of **St. Albert Protestant Separate School District No. 6** as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at August 31, 2003 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The budgeted information in the statement of revenue and expenses has not been subjected to audit procedures and, accordingly, we do not express an opinion on this information.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Accountants

PricewaterhouseCoopers refers to the Canadian firm of PricewaterhouseCoopers LLP and the other member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

School Jurisdiction Code:

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$276,400	$929,1
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,505,914)	($1,386,5
Total amortization expense	$2,014,737	$1,814,4
Gains on disposal of capital assets	$0	($2,9
Losses on sale of capital assets	$0	
Changes in accrued accounts:		
Accounts receivable	($905,885)	$73,2
Prepaids and other current assets	($9,353)	($13,8
Payables and accrued liabilities	($1,182,496)	$640,0
Deferred revenue	($499,904)	($354,4
Employee future benefit expense (recovery)	$0	
Other (describe)	$0	
Total sources (uses) of cash from Operations	($1,812,415)	$1,699,1
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	
Buildings	($1,634,547)	($3,157,6
Equipment	($323,515)	($395,0
Vehicles	$0	($24,5
Net proceeds from disposal of capital assets	$0	
Other (describe)	$0	
Total sources (uses) of cash from investing activities	($1,958,062)	($3,577,2
C. FINANCING ACTIVITIES		
Capital allocations received	$510,168	$4,428,3
Issue of long term debt	$0	
Repayment of long term debt	($1,405,339)	($1,463,0
Add back: supported portion	$1,274,238	$1,331,9
Other (describe)	$0	
Total sources (uses) from Financing activities	$379,067	$4,297,2
Net sources (uses) of cash equivalents* during year	($3,391,410)	$2,419,2
Cash Equivalents at the beginning of the year	$7,608,262	$5,189,0
Cash Equivalents at the end of the year	$4,216,852	$7,608,2

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtedness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 7020

# STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
					RESTRICTED NET ASSETS										
	TOTAL NET ASSETS (Columns 2+3)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 15)	School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$7,366,[illegible]	$4,342,736	$225,785	$2,798,368	$2,068,882	$98,401	$268,675	$0	$31,000	$246,832	$82,121	$4,677	[illegible]	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	[illegible]	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	[illegible]	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	[illegible]	$0	$0
Adjusted Balance, Aug.31, 2002	$7,366,889	$4,342,736	$225,785	$2,798,368	$2,068,882	$98,401	$268,675	$0	$31,000	$246,832	$82,121	$4,677	[illegible]	$0	$0
Surplus(def) of revenue over expenses	$276,400		$276,400												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$19,184	($19,184)	$0	$0	$0	$0		$0	$0	$0	$0	[illegible]	$0	$0
Donations of nonamortizable assets	$0	$0													
Amortization of capital assets		($2,014,737)	$2,014,737												
Amortization of capital allocations		$1,509,914	($1,509,914)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$131,100	($131,100)									$0		$0	
Net transfers to operating reserves			[illegible]	[illegible]	$1,[illegible]		[illegible]			$134,[illegible]				$0	
Net transfers from operating reserves			[illegible]	[illegible]	($1,[illegible])		[illegible]			[illegible]		($1,169)			
Net transfers to capital reserves			($30,000)	$30,000		$30,000			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$7,643,289	$3,983,197	$729,192	$2,930,900	$2,089,058	$128,401	$240,309	$0	$31,000	$356,503	$82,121	$3,508	$0	$0	$0

School Jurisdiction Code: 7020

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)

for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$1,479,466	$13,064,732
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$1,479,466	$13,064,732
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$510,168	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$1,274,238
Expended capital allocations - current year		($1,939,879)	$1,939,879
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,505,914
Balance at August 31, 2003		$49,755	$14,772,935

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1 Authority and purpose

The District delivers primary and secondary education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The District receives block allocations for instruction and support under regulation 72/95. The regulation limits the funding and expenditures for administration. It permits the District, within specified limits, to reallocate funding between the instruction and support blocks.

2 Summary of significant accounting policies

The financial statements are prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have in management's opinion been prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Revenue recognition

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations, which are amortized to revenue on the same basis as the property and equipment asset acquired by the grant.

Unrestricted donations are recognized as revenue when received or receivable. Donations in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Donations in-kind are recorded at fair market value when reasonably determinable.

b) Property and equipment

Property and equipment are recorded at cost and amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Property and equipment are amortized in the year following acquisition.

Only property and equipment with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) Amortization

Amortization expense is reflected as a period expense on the income statement and results in a reduction to unrestricted net assets. However, an amount equal to the amortization of supported assets is recorded as revenue. Amortization expense results in a transfer from investment in capital assets to unrestricted net assets on the statement of changes in net assets. The transfer from investment in capital assets to unrestricted net assets offsets the effect of the amortization expense of the period resulting in no change to the accumulated surplus.

d) School generated funds

School generated funds are funds raised in the community for activities that come under the control and responsibility of school management. School generated funds are included in the financial statements of the District because the accountability and control of these funds rests with the school officials or their appointee(s).

e) Vacation pay

Vacation pay is recorded in the period in which it is earned.

f) Pension obligation

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, St. Albert Protestant Separate School District No. 6 does not make pension contributions for certificated staff.

The District participates in the multi-employer pension plan, Local Authorities Pension Plan. The District's expense for this plan is equivalent to the annual contributions of $246,394 (2002 – $212,445) for the year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2002 – $634,960,000 surplus).

g) Contributed services

Volunteers assist schools operated by the school district in carrying out certain activities. Because of the difficulty of determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

h) Capital debt

Capital debt interest is recorded as an expenditure in the financial statements. Grants are receivable from Alberta Treasury for the interest expense and principal payments made on supported debt. The grant amounts received or receivable for the interest expense have been recorded as revenue in the financial statements. The total principal repayments on supported debt have been recorded to the debenture debt liability and equity in capital assets.

i) Financial instruments

The District's financial instruments consist of accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

3 Accounts receivable

	2003 **$**	**2002** **$**
Province of Alberta	2,165,841	1,194,467
Federal Government	81,172	196,750
Alberta municipalities	1,041,404	976,712
Other	152,690	167,293
	3,441,107	2,535,222

4 Trust assets/trust liabilities

Trust assets and liabilities are accounts which the District is not entitled to, but which the District manages on behalf of others.

	2003 $	2002 $
Deferred salary leave plan	35,299	174,711
Other	18,872	14,583
	54,171	189,294

5 Deferred revenue

	2003 $	2002 $
Building quality restoration program	133,520	407,819
Block modernization	273,203	395,595
AMFC interest payment	-	179,476
Alberta Initiative for School Improvement	89,407	172,779
One time grant funding 1999	76,985	98,759
One time grant funding 2002 – 2003	-	55,643
One time grant funding 2003 – 2004	285,012	-
Transportation fees	167,263	139,493
Tuition	85,774	87,950
ATCO Gas energy rebate	-	73,559
Other	653	648
	1,111,817	1,611,721

6 Unamortized capital allocations

The initial receipt of funds specifically designated for the funding of capital assets are recorded to deferred capital allocations. As expenditures are incurred for the related asset, the appropriate proportion of deferred capital allocation funds are transferred to unamortized capital allocations.

When the capital asset is complete the applicable unamortized capital allocation amount is amortized as revenue over the same period of time that the capital asset is amortized to expense.

The deferred capital allocation balance of $49,755 (2002 – $1,479,466) results from unexpended school modernization funds received from the province but not expended at August 31, 2003.

7 Accounts payable and accrued liabilities

	2003 $	2002 $
Trade payables and accrued liabilities	2,420,321	3,538,502
Province of Alberta	563,623	627,938
	2,983,944	4,166,440

8 Long-term debt

	2003 $	2002 $
Debentures outstanding at August 31, 2003 have interest rates, which vary between 6.25% to 12.0%. The terms of the debentures range from 8 to 25 years with payments of principal and interest made annually	11,961,552	13,366,891
Less: Current portion	1,338,350	1,405,339
	10,623,202	11,961,552

$11,502,652 in debentures are supported by Alberta Finance and $458,900 is unsupported debt.

The principal repayments in each of the next five fiscal years and beyond are as follows:

	Supported $	Unsupported $	Total $
2004	1,207,250	131,100	1,338,350
2005	1,119,663	131,100	1,250,763
2006	1,084,904	131,100	1,216,004
2007	1,057,304	65,600	1,122,904
2008	981,921	-	981,921
Thereafter	6,051,610	-	6,051,610
	11,502,652	458,900	11,961,552

9 Internally restricted net assets

Reserves created by the authorization of the Board of Trustees represent funds allocated for future capital expenditures and future operating expenses. The capital reserves are established and expended in accordance with the terms and conditions established by the Board.

10 Related party transactions and economic dependance

Various Government of Alberta departments are involved with administering education, district facilities, and the various school boards in the province and are considered to be related parties. The District's primary source of revenue is from the Alberta Government. The District's ability to continue viable operations is dependant on this funding.

11 Urban School Insurance Consortium

The District is a member of the Urban School Insurance Consortium, which facilitates the placement of property and liability insurance coverage for thirteen districts throughout the province of Alberta. Premium rebates are received from the insurers favourable claims experience and accumulated by the consortium to self-insure a portion of the member's risk exposure. The District's share of the accumulated consortium funds as at August 31, 2003 was $403,978 (2002 – $334,160). This amount has not been recognized in the District's financial statements, as the District has not realized the revenue.

12 Budget

The budget was prepared by district management with the Board of Trustees' approval given on May 8, 2002. It is presented for information purposes only and has not been audited.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 7020

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$31,005,521	$912,589	$30,092,932						
(2) Support block	$2,176,377				$766,036			$1,410,341	
(3) Instruction & support block reallocations	$0	$0	($1,567)		$1,567			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$876,887	$0	$876,887						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,349,000	$0	$1,329,273					$19,727	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$213,407	$0	$173,817	$0	$29,510			$10,080	$0
(11) **Total Alberta Learning Revenue**	$35,621,192	$912,589	$32,471,342	$0	$707,113			$1,440,148	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$391,973	$0	$0	$391,973					
(13) Operations & Maintenance support	$3,707,438			$3,707,438					
(14) Operations & Maintenance support (One-Time)	$34,896			$34,896					
(15) **Total Alberta Infrastructure Revenue**	$4,134,307	$0	$0	$4,134,307					
(16) **Alberta Finance**	$1,225,156			$1,225,156	$0			$0	$0
(17) **Other - Government of Alberta**	$494,078	$0	$230,825	$248,583	$7,849			$6,821	$0
(18) **Federal Government and/or First Nations**	$89,302	$0	$88,989	$0	$0			$313	$0
(19) **Other Alberta school authorities**	$128,130	$0	$128,130	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$503,233	$0	$503,233						
(23) **Transportation fees**	$281,460				$281,460				
(24) **Other sales and services**	$664,737	$0	$621,642	$12,913	$0			$30,182	$0
(25) **Investment income**	$178,443	$0	$0	$30,000	$0			$148,443	$0
(26) **Gifts and donations**	$10,025	$0	$10,025	$0	$0				$0
(27) **Rentals of facilities**	$137,740		$40,097	$97,643	$0			$0	$0
(28) **Net school generated funds**	$94,139		$94,139					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$1,505,914		$0	$1,505,914	$0				$0
(31) **TOTAL REVENUES**	$45,067,856	$912,589	$34,188,422	$7,254,516	$1,086,422			$1,625,907	$0
EXPENSES									
(32) **Certificated salaries**	$23,644,306	$572,125	$22,789,039				$283,142	$283,142	$0
(33) **Certificated benefits**	$2,748,230	$67,691	$2,661,043				$19,496	$19,496	$0
(34) **Uncertificated salaries and wages**	$6,285,520	$80,904	$3,823,997	$1,735,037	$40,229	$75,225	$530,128	$605,353	$0
(35) **Uncertificated benefits**	$1,356,060	$18,473	$872,241	$343,199	$8,626	$5,849	$107,672	$113,521	$0
(36) **SUB - TOTAL**	$34,034,116	$739,193	$30,146,320	$2,078,236	$48,855	$81,074	$940,438	$1,021,512	$0
(37) **Services, contracts & supplies**	$7,384,423	$102,981	$3,698,060	$2,198,833	$1,036,398	$28,331	$319,820	$348,151	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$94,139		$94,139						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,505,914	$0	$0	$1,505,914	$0		$0	$0	$0
(41) Unsupported	$508,823	$0	$224,186	$228,373	$1,169	$0	$55,095	$55,095	$0
(42) Total Amortization	$2,014,737	$0	$224,186	$1,734,287	$1,169	$0	$55,095	$55,095	$0
Interest on capital debt									
(43) Supported	$1,225,156	$0	$0	$1,225,156	$0		$0	$0	$0
(44) Unsupported	$38,885	$0	$0	$38,885	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$44,791,456	$842,174	$34,162,705	$7,275,397	$1,086,422	$109,405	$1,315,353	$1,424,758	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$276,400	$70,415	$25,717	($20,881)	$0			$201,149	$0
Applicable student numbers/FTE equivalent	6,435.0	336	6,267.0	6,429.0	2,563			6,435.0	
AVERAGE PROGRAM COSTS per student	$6,961	$2,506	$5,451	$1,132	$424			$221	

School Jurisdiction Code: 7020

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$17,725,127	$2,467,084	$82,513	$2,006,000	$127,939	$380,376	$0	$22,789,039
Certificated benefits	$2,123,901	$240,199	$5,874	$236,605	$13,275	$41,189	$0	$2,661,043
Uncertificated salaries and wages	$293,062	$1,613,159	$119,192	$558,700	$1,108,459	$131,425	$0	$3,823,997
Uncertificated benefits	$54,616	$409,818	$23,735	$105,231	$251,921	$26,920	$0	$872,241
SUB - TOTAL REMUNERATION	$20,196,706	$4,730,260	$231,314	$2,906,536	$1,501,594	$579,910	$0	$30,146,320
Services, contracts & supplies	$2,530,013	$544,354	$107,347	$144,223	$219,844	$152,279	$0	$3,698,060
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$94,139							$94,139
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$173,809	$32,012	$18,365					$224,186
Total Amortization	$173,809	$32,012	$18,365					$224,186
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$22,994,667	$5,306,626	$357,026	$3,050,759	$1,721,438	$732,189	$0	$34,162,705
FTE Certificated				31.6	2.0			
FTE Uncertificated				22.8	45.3			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$27,650,502	$2,379,977	$1,213,847	($1,567)	$31,242,759	$25,411,463	$5,831,296
School Admin & Instruction Support Expenses						$5,306,626	($5,306,626)
System Instruction Support Expenses						$357,026	($357,026)
Total Basic Instruction	$27,650,502	$2,379,977	$1,213,847	($1,567)	$31,242,759	$31,075,115	$167,644
Sub-Programs & Initiatives							
Severely Disabled	$1,735,380		$0		$1,735,380	$1,721,438	$13,942
English as a Second Language	$14,296				$14,296	$14,296	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$0				$0		$0
Growth & Density	$49,656				$49,656		$49,656
Teacher Assistants Program	$111,869				$111,869	$111,869	$0
Early Literacy Initiative (K-2)	$188,491				$188,491	$188,491	$0
Learning Resources Credit & Resources for the Classroom	$69,435	$135,147	$503,233		$707,815	$707,815	$0
Technology Integration	$265,869		$0		$265,869	$336,247	($70,378)
French Language Program & Francisation (all jurisdictions)	$0		$0		$0	$0	$0
Home Education	$7,434		$0		$7,434	$7,434	$0
Total Sub-Programs & Initiatives	$2,442,430		$503,233		$3,080,810	$3,087,590	($6,780)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$30,092,932	$2,515,124	$1,717,080	($1,567)	$34,323,569	$34,162,705	$160,864

School Jurisdiction Code: 7020

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$912,589	$30,092,932		$766,036	$1,410,341	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		($1,567)		$1,567		
Calculation: 2% of *$31,005,521* = *$620,110* *($1,567)*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	($1,567)		$1,567	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 7020

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$30,739,652
Support Block - Transportation	$766,036
SUBTOTAL	$31,505,688

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,707,438
Teacher Salary Enhancement	$1,349,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$494,078
Federal government/First Nations	$89,302
Other Alberta school authorities	$128,130
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$664,737
Interest on investments	$178,443
Rentals of facilities	$137,740
Gains on disposal of capital assets	$0
Amortization of capital allocations	$1,505,914
School generated funds (Schedule E)	$2,064,656
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$41,825,126**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,673,005

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0

(If none of these considerations apply, leave the above cells blank)

MAXIMUM EXPENSE LIMIT	**$1,673,005**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,424,758
PLUS: transfers to Restricted - Operating (Board/System Administration)	$134,961
LESS: transfers from Restricted - Operating (Board/System Administration)	-$25,090
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,534,629
Maximum Expense Limit for Board & System Administration (Step 3)	$1,673,005
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$138,376

School Jurisdiction Code: 7020

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$655,585
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$2,064,656	
Less: SGF - related cost recoveries (Note 3)	$1,961,475	
- capitalized at the District level (Note 4)	$0	
Net Total	$103,181	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$103,181
Net SGF Available for discretionary spending		$758,766
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$94,139
Unexpended SGF - Closing Balance August 31, 2003		$664,627

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 7020

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,070,349	$491,152	$0	$0	$173,536	$1,735,037		$1,735,037
Uncertificated benefits	$229,277	$79,204	$0	$0	$34,718	$343,199		$343,199
Sub-total Remuneration	$1,299,626	$570,356	$0	$0	$208,254	$2,078,236		$2,078,236
Contracted Services	$169,412	$18,559	$27,194	$175,330	$0	$390,495		$390,495
Supplies	$149,328	$425,768	$2,792	$175,330	$4,245	$757,463		$757,463
Electricity			$547,241			$547,241		$547,241
Natural Gas/Heating Fuel			$358,695			$358,695		$358,695
Sewer and Water			$46,010			$46,010		$46,010
Telecommunications			$12,003			$12,003		$12,003
Insurance					$86,926	$86,926		$86,926
Amortization of capital assets								
Supported							$1,505,914	$1,505,914
Unsupported						$228,373		$228,373
Total Amortization						$228,373	$1,505,914	$1,734,287
Interest on capital debt								
Supported							$1,225,156	$1,225,156
Unsupported				$41,314		($2,429)		$38,885
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,618,366	$1,014,683	$993,935	$391,974	$299,425	$4,503,013	$2,731,070	$7,275,397
SQUARE METRES								
School Buildings								70,284.2
Non School Buildings								3,660.5

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 7020

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Joan Trettler	1.0	$20,493	$481	$0	$0	$0	$20,974	$3,576
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Joan Alexander	0.3	$3,629	$188	$0	$0	$0	$3,817	$1,237
Name	Irene Harvey	1.0	$13,450	$2,496	$0	$0	$0	$15,946	$1,866
Name	Judy Huisman	1.0	$14,965	$1,139	$0	$0	$0	$16,104	$410
Name	Armin Kauppila	0.4	$4,252	$1,129	$0	$0	$0	$5,381	$1,438
Name	Morag Pansegrau	1.0	$18,436	$415	$0	$0	$0	$18,851	$875
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*4.7*	*$75,225*	*$5,848*	*$0*	*$0*	*$0*	*$81,073*	*$9,402*
Superintendent	Joe Demko	1.0	$116,000	$8,290	$0	$0	$0	$124,290	$1,937
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Donna Taylor	1.0	$43,576	$10,456	$0	$0	$0	$54,032	$68
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Michael Brenneis	1.0	$101,710	$15,383	$0	$0	$0	$117,093	$1,912
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		335.5	$23,528,306	$2,739,940	$0	$0	$0	$26,268,246	
Uncertificated Salaries & Wages		179.2	$6,065,009	$1,324,373	$0	$0	$0	$7,389,382	
TOTALS			**$29,929,826**	**$4,104,290**	**$0**	**$0**	**$0**	**$34,034,116**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 7020

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 2185

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

ST. PAUL EDUCATION REGIONAL DIVISION NO. 1
Name of School Jurisdiction

4901 - 47 Street St. Paul, Alberta T0A 3A3
Mailing Address

Phone: (780) 645-3323 Fax: (780) 645-5789
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules ST. PAUL EDUCATION REGIONAL DIVISION NO. 1 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Lorne Buryn	"Original signed by"
Name	Signature

SUPERINTENDENT

Douglas Yeo	"Original signed by"
Name	Signature

SECRETARY TREASURER OR TREASURER

Jean Champgane	"Original signed by"
Name	Signature

26-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 2185

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Wilde & Company
CHARTERED ACCOUNTANTS

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AUDITORS' REPORT

To the Board of Trustees
St. Paul Education Regional Division No. 1

We have audited the statement of financial position of the St. Paul Education Regional Division No. 1 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets, and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Vegreville, Alberta
November 5, 2003

Wilde & Company
Chartered Accountants

School Jurisdiction Code: 2185

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$8,462,960	$9,415,974
Accounts receivable (net after allowances)		$1,731,047	$1,217,964
Prepaid expenses		$293,046	$218,356
Other current assets		$0	$0
Total current assets		$10,487,053	$10,852,294
School generated assets		$464,447	$494,738
Trust assets		$34,486	$34,906
Long term accounts receivable		$0	$0
Capital assets			
Land		$128,374	$128,374
Buildings	$26,358,018		
Less: accumulated amortization	($13,649,299)	$12,708,719	$13,165,023
Equipment	$2,317,202		
Less: accumulated amortization	($1,242,126)	$1,075,076	$846,661
Vehicles	$1,896,563		
Less: accumulated amortization	($1,020,087)	$876,476	$861,614
Total capital assets		$14,788,645	$15,001,672
TOTAL ASSETS		$25,774,631	$26,383,610
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,766,665	$2,259,489
Deferred revenue		$599,896	$811,398
Deferred capital allocations		$3,465,212	$3,611,771
Current portion of all long term debt		$540,909	$548,126
Total current liabilities		$6,372,682	$7,230,784
School generated liabilities		$464,447	$494,738
Trust liabilities		$34,486	$34,906
Employee future benefits liability		$91,844	$81,980
Long term debt			
Supported: Debentures and other supported debt		$4,368,417	$4,916,543
Less: Current portion of supported debt		($540,909)	($548,126)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$8,599,022	$8,439,751
Total long term liabilities		$13,017,307	$13,419,792
TOTAL LIABILITIES		$19,389,989	$20,650,576
NET ASSETS			
Unrestricted net assets		$501,813	$501,813
Operating Reserves		$3,958,218	$3,482,438
Accumulated Operating Surplus (Deficit)		$4,460,031	$3,984,251
Investment in capital assets		$1,821,202	$1,645,374
Capital Reserves		$103,409	$103,409
Total Capital Funds		$1,924,611	$1,748,783
Total net assets		$6,384,642	$5,733,034
TOTAL LIABILITIES AND NET ASSETS		$25,774,631	$26,383,610

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2185

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$22,238,247	$22,512,638	$22,629,493
Alberta Infrastructure	$3,116,403	$2,519,971	$2,127,463
Alberta Finance	$489,239	$516,544	$548,607
Other Government of Alberta	$42,400	$5,000	$59,800
Federal Government and/or First Nations	$8,189,745	$6,705,522	$6,907,127
Other Alberta school authorities	$624	$0	$500
Out of province authorities	$11,000	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$217,146	$229,087	$217,061
Transportation fees	$38,481	$36,700	$37,367
Other sales and services	$198,313	$19,000	$255,870
Investment income	$196,611	$200,000	$191,608
Gifts and donations	$62,018	$0	$65,730
Rentals of facilities	$64,573	$38,041	$55,403
Net school generated funds	$282,647	$250,000	$206,259
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$732,320	$592,680	$592,680
Total Revenues	$35,879,767	$33,625,183	$33,894,968
EXPENSES			
Certificated salaries	$17,141,106	$16,617,209	$15,787,075
Certificated benefits	$1,952,086	$1,777,893	$1,762,920
Uncertificated salaries and wages	$6,329,573	$6,303,060	$5,885,253
Uncertificated benefits	$1,267,302	$947,578	$1,129,016
Services, contracts and supplies	$6,605,447	$6,330,706	$7,439,510
Net school generated funds	$282,647	$250,000	$206,259
Capital and debt services			
Amortization of capital assets			
Supported	$732,320	$592,680	$592,680
Unsupported	$421,243	$289,513	$367,436
Total Amortization of capital assets	$1,153,563	$882,193	$960,116
Interest on capital debt			
Supported	$489,239	$516,544	$548,607
Unsupported	$0	$0	$0
Total Interest on capital debt	$489,239	$516,544	$548,607
Other interest charges	$2,496	$0	$2,113
Losses on disposal of capital assets	$4,700	$0	$0
Total Expenses	$35,228,159	$33,625,183	$33,720,869
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$651,608	$0	$174,099
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$651,608	$0	$174,099

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2185

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$651,608	$174,099
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($732,320)	($592,680)
Total amortization expense	$1,153,563	$960,116
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$4,700	$0
Changes in accrued accounts:		
Accounts receivable	($513,083)	$275,102
Prepaids and other current assets	($74,690)	$13,549
Payables and accrued liabilities	($492,824)	$616,728
Deferred revenue	($211,502)	($486,396)
Employee future benefit expense (recovery)	$9,864	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($204,684)	$960,518
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($170,209)	($472,809)
Equipment	($584,822)	($660,036)
Vehicles	($190,205)	($205,046)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($945,236)	($1,337,891)
C. FINANCING ACTIVITIES		
Capital allocations received	$196,906	$4,274,222
Issue of long term debt	$0	$0
Repayment of long term debt	($548,126)	($577,736)
Add back: supported portion	$548,126	$577,736
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$196,906	$4,274,222
Net sources (uses) of cash equivalents* during year	($953,014)	$3,896,849
Cash Equivalents at the beginning of the year	$9,415,974	$5,519,125
Cash Equivalents at the end of the year	$8,462,960	$9,415,974

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code 2185

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS Columns 5 to 15	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$5,733,034	$1,645,374	$501,813	$3,585,847	$1,692,267	$0	$720,591	$0	$76,527	$828,329	$0	$241,251	$26,882	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$5,733,034	$1,645,374	$501,813	$3,585,847	$1,692,267	$0	$720,591	$0	$76,527	$828,329	$0	$241,251	$26,882	$0	$0
Surplus(def) of revenue over expenses	$651,608		$651,608												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$601,771	($601,771)	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,153,563)	$1,153,563												
Amortization of capital allocations		$732,320	($732,320)												
Disposal of unsupported capital assets	$0	($4,700)	$4,700	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($553,352)	$553,352	$0		$287,567			$160,563		$105,222		$0	
Net transfers from operating reserves			$77,572	($77,572)	($77,572)		$0			$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$6,384,642	$1,821,202	$501,813	$4,061,627	$1,614,695	$0	$1,008,158	$0	$76,527	$988,892	$0	$346,473	$26,882	$0	$0

School Jurisdiction Code: 2185

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$3,611,771	$8,439,751
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$3,611,771	$8,439,751
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$69,820	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$127,086	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$548,126
Expended capital allocations - current year		($343,465)	$343,465
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$732,320
Balance at August 31, 2003		$3,465,212	$8,599,022

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements

1. AUTHORITY AND PURPOSE

The school jurisdiction delivers education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight line basis, at the following rates:
Buildings - 2.5 to 10%
Equipment - 20%
Vehicles - 10 to 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointee(s).

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Contributed Surplus

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs such as kindergarten, lunch services and the raising of school generated funds are delivered. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

f) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the St. Paul Education Regional Division No. 1 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $118,178 for the year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficit of $444.9 million (2001 surplus of $634.9 million).

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Financial Instruments

The jurisdiction's financial instruments consist of cash and short term investments, marketable investments, accounts receivable and accounts payable, accrued liabilities and long term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

i) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

j) Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2003, the recorded obligation is $91,844 (2002 $81,980). The total expenses recorded in the financial statements is $9,864.

3. ACCOUNTS RECEIVABLE

	2003	2002
Provincial government grants	$ 975,797	$ 632,086
Federal government grants	484,704	285,295
GST recoverable	161,003	216,054
Other accounts receivable	109,543	84,529
	$ 1,731,047	$ 1,217,964

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value 2003	Net Book Value 2002
Land	$ 128,374	$ -	$ 128,374	$ 128,374
Buildings	26,358,018	13,649,299	12,708,719	13,165,023
Equipment	2,317,202	1,242,126	1,075,076	846,661
Vehicles	1,896,563	1,020,087	876,476	861,614
	$ 30,700,157	$ 15,911,512	$ 14,788,645	$ 15,001,672

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2003	2002
Province of Alberta	$ 401,130	$ 316,927
Federal Government	500,361	322,922
Other trade payables and accrued liabilities	865,174	1,619,640
	$ 1,766,665	$ 2,259,489

6. DEFERRED REVENUE

	2003	2002
2002-03 one time grant funding	$ -	$ 94,403
BQRP grants	143,688	317,003
Modernization block grants	141,112	317,729
O & M - one time grant	236,220	-
Other revenues	78,876	82,263
	$ 599,896	$ 811,398

7. DEFERRED CAPITAL ALLOCATIONS

	Opening	Grants received or receivable	Transfer to unamortized capital allocations	Closing
Two Hills School modernization	$ 3,303,553	$ -	$ 50,902	$ 3,252,651
Wide area network	222,743	69,820	292,563	-
Interest earned - available for for future projects	85,475	127,086	-	212,561
	$ 3,611,771	$ 196,906	$ 343,465	$ 3,465,212

8. UNAMORTIZED CAPITAL ALLOCATIONS

	2003	2002
Consisting of:		
Opening balance	$ 8,439,751	$ 7,792,244
Transfer from deferred capital allocations - Note 7	343,465	662,451
Supported debenture and capital loan principal repayments	548,126	577,736
Less capital allocation for amortization	(732,320)	(592,680)
	$ 8,599,022	$ 8,439,751

9. LONG TERM DEBT

Debenture Debt - Supported

The debenture debt bears interest at rates varying between 7.875% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long term debt consists entirely of amounts payable by Alberta Finance on supported debt, therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	2003	2002
Debentures	$ 4,368,417	$ 4,916,543
Less current portion of debt	540,909	548,126
Long term debt	$ 3,827,508	$ 4,368,417

School Year	Principal	Interest	Total
2003-2004	$ 540,909	$ 458,526	$ 999,435
2004-2005	528,776	401,311	930,087
2005-2006	519,240	345,324	864,564
2006-2007	500,073	290,411	790,484
2007-2008	476,067	237,560	713,627
2008 to maturity	1,803,352	597,040	2,400,392
	$ 4,368,417	$ 2,330,172	$ 6,698,589

10. OPERATING RESERVES

	Opening	Transfer to Reserves	Transfers From Reserves	Closing
Instruction	$ 1,692,267	$	$ (77,572)	$ 1,614,695
Administration	808,329	160,563		968,892
Election	20,000			20,000
Operations/Maintenance	670,591	287,567		958,158
Transportation	241,251	105,222		346,473
BQRP	50,000			50,000
	$ 3,482,438	$ 553,352	$ (77,572)	$ 3,958,218

11. CAPITAL RESERVES

	Opening	Transfer to Reserves	Transfers From Reserves	Closing
Equipment	$ 76,527	$	$	$ 76,527
Vehicles	26,882			26,882
Balance, end of period	$ 103,409	$ -	$ -	$ 103,409

12. SCHOOL GENERATED FUNDS

	2003	**2002**
Balance, beginning of year	$ 494,738	$ 428,549
Source of school generated funds (SGF)		
SGF for the year	967,416	810,908
Less cost of generating SGF	(802,527)	(610,578)
Less items capitalized at the district level	(65,027)	-
Donations received	152,494	72,118
Net SGF additions for the year	252,356	272,448
Net SGF available for discretionary spending	747,094	700,997
SGF expended for discretionary purposes	(282,647)	(206,259)
Balance, end of year	$ 464,447	$ 494,738

13. DISCLOSURE OF SALARY AND BENEFITS

	FTE	Salaries & Wages	Benefits & Allowances	Total	Reimbursed Expenses
Lorne Buryn - Chairman	1	$ 14,025	$ 3,859	$ 17,884	$ 3,876
Other Board Members:					
Terry Laboucane	1	13,275	1,272	14,547	3,807
Darrell Younghans	1	11,375	3,805	15,180	4,228
Shelley Dyck	1	14,825	2,995	17,820	10,614
Ron Rudkowsky	1	13,665	1,899	15,564	7,285
Rhea Looy	1	14,775	2,844	17,619	5,789
Ed Sosnowski	1	10,450	3,754	14,204	4,345
Doug Yeo (Superintendent)	1	109,014	8,265	117,279	20,614
Jean Champagne (Sec/Treas)	1	89,816	13,756	103,572	3,311
Salaries - Certificated		17,032,092	1,943,821	18,975,913	
Salaries - Uncertificated	314.0	6,147,367	1,233,118	7,380,485	
		$ 23,470,679	$ 3,219,388	$ 26,690,067	

14. COMMITMENT

Modernization project at Two Hills High School is in progress at year end. Government funding for the project has already been received to cover substantial costs of the modernization. Combined costs of the project is expected to be $3.9 Million and 100% of funding will come from government grants.

15. CONTINGENCIES

Contingent Assets

The jurisdiction is a member of a reciprocal insurance exchange called Genesis. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of the equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

Contingent Liabilities

The jurisdiction is a member of the Alberta Local Authorities Reciprocal Insurance Exchange (Genesis). Under the terms of membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

16. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

17. COMPARATIVE FIGURES

The budget 2003 and the actual 2002 comparative figures have been reclassified where necessary to conform to actual 2003 presentation.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 2185

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$17,241,903	$691,367	$16,550,536						
(2) Support block	$3,314,421				$2,202,654			$1,111,767	
(3) Instruction & support block reallocations	$0	$5,373	($7,801)		$2,428			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$482,659	$0	$482,659						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$992,000	$23,792	$955,582					$12,626	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$207,364	$0	$172,664	$0	$34,700			$0	$0
(11) **Total Alberta Learning Revenue**	$22,238,247	$720,632	$18,153,840	$0	$2,239,782			$1,124,392	$0
Alberta Infrastructure									
(12) Expensed Block Mod. Block BQRP support	$427,089	$0	$0	$427,089					
(13) Operations & Maintenance support	$2,689,314			$2,689,314					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$3,116,403	$0	$0	$3,116,403					
(16) **Alberta Finance**	$489,239			$489,239	$0			$0	$0
(17) **Other - Government of Alberta**	$42,400	$0	$37,600	$4,800	$0			$0	$0
(18) **Federal Government and/or First Nations**	$8,189,746	$130,240	$6,669,870	$896,538	$19,089			$366,010	$0
(19) **Other Alberta school authorities**	$624	$0	$624	$0	$0			$0	$0
(20) **Out of province authorities**	$11,000	$0	$11,000	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$217,146	$4,186	$212,960						
(23) **Transportation fees**	$38,481				$38,481				
(24) **Other sales and services**	$198,313	$0	$103,230	$46,382	$17,124			$13,912	$17,665
(25) **Investment income**	$196,611	$4,438	$148,790	$24,493	$12,595			$6,296	$0
(26) **Gifts and donations**	$62,018	$0	$62,018	$0	$0				$0
(27) **Rentals of facilities**	$64,573			$39,516	$25,058			$0	$0
(28) **Net school generated funds**	$282,647		$282,647					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$732,320		$139,640	$592,680	$0				$0
(31) **TOTAL REVENUES**	$35,879,767	$867,396	$25,821,920	$5,310,048	$2,352,129			$1,510,609	$17,665
EXPENSES									
(32) **Certificated salaries**	$17,141,106	$394,290	$16,416,389				$330,427	$330,427	$0
(33) **Certificated benefits**	$1,952,086	$48,552	$1,874,767				$28,767	$28,767	$0
(34) **Uncertificated salaries and wages**	$6,329,573	$208,117	$3,972,987	$1,254,510	$397,488	$92,390	$387,681	$480,071	$16,400
(35) **Uncertificated benefits**	$1,267,302	$36,609	$852,507	$240,890	$48,445	$20,428	$67,158	$87,586	$1,265
(36) **SUB - TOTAL**	$26,690,067	$687,568	$23,116,650	$1,495,400	$445,933	$112,818	$814,033	$926,851	$17,665
(37) **Services, contracts & supplies**	$6,605,447	$54,337	$2,354,960	$2,133,961	$1,641,490	$92,667	$328,032	$420,699	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$282,647		$282,647						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$732,320	$0	$139,640	$592,680	$0		$0	$0	$0
(41) Unsupported	$421,243	$0	$216,356	$33,893	$141,857	$0	$29,137	$29,137	$0
(42) Total Amortization	$1,153,563	$0	$355,996	$626,573	$141,857	$0	$29,137	$29,137	$0
Interest on capital debt									
(43) Supported	$489,239	$0	$0	$489,239	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$2,498	$0	$0	$0	$0		$2,498	$2,498	$0
(46) Losses on disposal of capital assets	$4,700	$0	$0	$0	$4,700	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$35,228,159	$741,905	$26,110,253	$4,745,173	$2,233,980	$205,485	$1,173,698	$1,379,183	$17,665
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$651,608	$125,491	($288,334)	$564,875	$118,149			$131,426	$0
Applicable student numbers/FTE equivalent	3,958.0	243	3,837.0	3,955.0	1,795			3,958.0	
AVERAGE PROGRAM COSTS per student	$8,900	$3,053	$6,805	$1,200	$1,245			$348	

School Jurisdiction Code: 2185

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$14,015,405	$1,683,956	$66,226	$400,161	$77,163	$173,478	$0	$16,416,389
Certificated benefits	$1,526,161	$173,044	$7,563	$42,367	$9,090	$116,542	$0	$1,874,767
Uncertificated salaries and wages	$912,538	$943,948	$0	$152,155	$1,952,075	$12,271	$0	$3,972,987
Uncertificated benefits	$154,429	$204,748		$34,130	$432,701	$26,499	$0	$852,507
SUB - TOTAL REMUNERATION	$16,608,533	$3,005,696	$73,789	$628,813	$2,471,029	$328,790	$0	$23,116,650
Services, contracts & supplies	$1,776,839	$246,050	$5,984	$27,364	$69,463	$229,260	$0	$2,354,960
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$282,647							$282,647
Amortization of capital assets								
Supported	$139,640	$0	$0					$139,640
Unsupported	$216,356	$0	$0					$216,356
Total Amortization	$355,996	$0	$0					$355,996
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$19,024,015	$3,251,746	$79,773	$656,177	$2,540,492	$558,050	$0	$26,110,253
FTE Certificated				6.6	1.4			
FTE Uncertificated				8.8	120.0			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$12,749,781	$1,516,144	$6,670,715	($7,801)	$20,928,840	$18,420,753	$2,508,086
School Admin & Instruction Support Expenses						$3,251,746	($3,251,746)
System Instruction Support Expenses						$79,773	($79,773)
Total Basic Instruction	$12,749,781	$1,516,144	$6,670,715	($7,801)	$20,928,840	$21,752,272	($823,433)
Sub-Programs & Initiatives							
Severely Disabled	$1,733,575		$784,704		$2,518,279	$2,540,492	($22,213)
English as a Second Language	$97,419				$97,419	$107,490	($10,071)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$254,274		$0		$254,274	$265,681	($11,407)
Institutional Programs	$603,687				$603,687	$775,934	($172,247)
Sparsity & Distance	$692,136				$692,136		$692,136
Growth & Density	$24,977				$24,977		$24,977
Teacher Assistants Program	$59,462				$59,462	$88,427	($28,965)
Early Literacy Initiative (K-2)	$117,875				$117,875	$145,813	($27,938)
Learning Resources Credit & Resources for the Classroom	$48,628	$94,661	$212,960		$356,249	$273,644	$82,605
Technology Integration	$127,495		$0		$127,495	$121,001	$6,494
French Language Program & Francisation (all jurisdictions)	$37,864		$0		$37,864	$37,864	$0
Home Education	$3,363		$0		$3,363	$1,635	$1,728
Total Sub-Programs & Initiatives	$3,800,755		$997,654		$4,893,080	$4,357,981	$535,099
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$16,550,536	$1,610,805	$7,668,379	($7,801)	$25,821,920	$26,110,253	($288,334)

School Jurisdiction Code: 2185

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$691,367	$16,550,536		$2,202,654	$1,111,767	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	($2,428)			$2,428		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of | ***$17,241,903*** | ***=*** | ***$344,838*** | ***($2,428)***						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$7,801	($7,801)				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$5,373	($7,801)		$2,428	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 2185

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$17,114,408
Support Block - Transportation	$2,202,654
SUBTOTAL	$19,317,062
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,689,314
Teacher Salary Enhancement	$992,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$42,400
Federal government/First Nations	$8,189,745
Other Alberta school authorities	$624
Out of province local authorities	$11,000
Alberta municipalities	$0
Other sales and services	$198,313
Interest on investments	$196,611
Rentals of facilities	$64,573
Gains on disposal of capital assets	$0
Amortization of capital allocations	$732,320
School generated funds (Schedule E)	$967,416
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$33,401,378**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**5.10%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,704,372
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,704,372**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,379,183
PLUS: transfers to Restricted - Operating (Board/System Administration)	$160,563
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,539,746
Maximum Expense Limit for Board & System Administration (Step 3)	$1,704,372
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$164,626

School Jurisdiction Code: 2185

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1)		$494,738
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$967,416	
Less: SGF - related cost recoveries (Note 3)	$802,527	
- capitalized at the District level (Note 4)	$65,027	
Net Total	$99,862	
Plus: Donations Received (Note 5)	$152,494	
Equals: Net Additions to SGF		$252,356
Net SGF Available for discretionary spending		$747,094
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$282,647
Unexpended SGF - Closing Balance August 31, 2003		$464,447

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 2185

SCHEDULE F to the AFS

Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$836,309	$327,478	$0	$0	$90,723	$1,254,510		$1,254,510
Uncertificated benefits	$161,396	$62,632	$0	$0	$16,862	$240,890		$240,890
Sub-total Remuneration	$997,705	$390,110	$0	$0	$107,585	$1,495,400		$1,495,400
Contracted Services	$110,813	$168,894		$586,945	$0	$866,652		$866,652
Supplies	$129,033	$73,790	$0	$0	$7,000	$209,823		$209,823
Electricity			$450,194			$450,194		$450,194
Natural Gas/Heating Fuel			$481,423			$481,423		$481,423
Sewer and Water			$33,799			$33,799		$33,799
Telecommunications			$17,376			$17,376		$17,376
Insurance					$74,694	$74,694		$74,694
Amortization of capital assets								
Supported							$592,680	$592,680
Unsupported						$33,893		$33,893
Total Amortization						$33,893	$592,680	$626,573
Interest on capital debt								
Supported							$489,239	$489,239
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,237,551	$632,794	$982,792	$586,945	$189,279	$3,663,254	$1,081,919	$4,745,173
SQUARE METRES								
School Buildings								61,013.5
Non School Buildings								1,404.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 2185

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Lorne Buryn	1.0	$14,025	$3,859	$0	$0	$0	$17,884	$3,876
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Terry LaBoucane	1.0	$13,275	$1,272	$0	$0	$0	$14,547	$3,807
Name	Shelley Dyck	1.0	$14,825	$2,995	$0	$0	$0	$17,820	$10,614
Name	Rhea Looy	1.0	$14,775	$2,844	$0	$0	$0	$17,619	$5,789
Name	Ron Rudkowsky	1.0	$13,665	$1,899	$0	$0	$0	$15,564	$7,285
Name	Ed Sosnowski	1.0	$10,450	$3,754	$0	$0	$0	$14,204	$4,345
Name	Darrell Younghans	1.0	$11,375	$3,805	$0	$0	$0	$15,180	$4,228
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*7.0*	*$92,390*	*$20,428*	*$0*	*$0*	*$0*	*$112,818*	*$39,944*
Superintendent	Douglas Yeo	1.0	$109,014	$8,265	$0	$0	$0	$117,279	$20,614
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Jean Champagne	1.0	$89,816	$13,756	$0	$0	$0	$103,572	$3,311
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		269.9	$17,032,092	$1,943,821	$0	$0	$0	$18,975,913	
Uncertificated Salaries & Wages		314.0	$6,147,367	$1,233,118	$0	$0	$0	$7,380,485	
TOTALS			**$23,470,679**	**$3,219,388**	**$0**	**$0**	**$0**	**$26,690,067**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 2185

SCHEDULE G1 to the AFS

DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*

COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 20

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

ST. THOMAS AQUINAS R.C.S.R.D. NO. 38
Name of School Jurisdiction

4906 - 49 AVENUE, LEDUC, ALBERTA T9E 6W6
Mailing Address

Tel: 780-986-2500 Fax: 780-986-8620
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules ST. THOMAS AQUINAS R.C.S.R.D. NO. 38 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name: Glen Tompolski
Signature: "Original signed by"

SUPERINTENDENT

Name: Metro Huculak
Signature: "Original signed by"

SECRETARY TREASURER OR TREASURER

Name: Jeff Redmond
Signature: "Original signed by"

Thursday November 27, 2003
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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Grant Thornton

Grant Thornton LLP
Chartered Accountants
Management Consultants

Auditors' Report

To the Board Of Trustees of
St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38

We have audited the statement of financial position of the St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many non-profit organizations, the school jurisdiction derives revenues from certain fund raising activities, the completeness of which is not readily susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the school jurisdiction and we were not able to determine whether any adjustments might be necessary to school generated funds, excess of revenues over expenses, assets, liabilities and net assets.

In our opinion, except for the effect of adjustments, if any, which we may have determined to be necessary had we been able to audit the completeness of school generated funds, as discussed in the above paragraph, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Grant Thornton LLP
Chartered Accountants

Wetaskiwin, Canada
November 21, 2003

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Canadian Member of Grant Thornton International

School Jurisdiction Code: 20

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002 Restated
ASSETS			
Current assets			
Cash and temporary investments		$8,340,708	$4,295,721
Accounts receivable (net after allowances)		$1,556,238	$1,453,590
Prepaid expenses		$124,735	$157,573
Other current assets		$114,383	$108,141
Total current assets		$10,136,064	$6,015,025
School generated assets		$153,225	$146,639
Trust assets		$24,285	$61,140
Long term accounts receivable		$0	$0
Capital assets			
Land		$669,686	$669,686
Buildings	$25,600,702		
Less: accumulated amortization	($8,368,734)	$17,231,968	$15,125,525
Equipment	$912,520		
Less: accumulated amortization	($671,460)	$241,060	$178,460
Vehicles	$142,500		
Less: accumulated amortization	($82,478)	$60,022	$39,531
Total capital assets		$18,202,736	$16,013,202
TOTAL ASSETS		$28,516,310	$22,236,006
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,873,007	$1,643,038
Deferred revenue		$498,662	$1,070,244
Deferred capital allocations		$5,721,923	$1,818,145
Current portion of all long term debt		$645,425	$645,425
Total current liabilities		$8,739,017	$5,176,852
School generated liabilities		$153,225	$146,639
Trust liabilities		$24,285	$61,140
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$5,847,281	$6,492,706
Less: Current portion of supported debt		($645,425)	($645,425)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$11,283,767	$8,468,394
Total long term liabilities		$16,663,133	$14,523,454
TOTAL LIABILITIES		$25,402,150	$19,700,306
NET ASSETS			
Unrestricted net assets		$0	$82,131
Operating Reserves		$2,042,472	$1,401,467
Accumulated Operating Surplus (Deficit)		$2,042,472	$1,483,598
Investment in capital assets		$1,071,688	$1,052,102
Capital Reserves		$0	$0
Total Capital Funds		$1,071,688	$1,052,102
Total net assets		$3,114,160	$2,535,700
TOTAL LIABILITIES AND NET ASSETS		$28,516,310	$22,236,006

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 20

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$12,264,710	$10,902,329	$11,896,279
Alberta Infrastructure	$1,716,661	$1,730,000	$810,947
Alberta Finance	$665,318	$760,000	$756,309
Other Government of Alberta	$4,667	$0	$25,973
Federal Government and/or First Nations	$1,066,739	$916,966	$1,085,940
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$48,200	$29,000	$61,000
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$136,761	$139,755	$105,560
Transportation fees	$15,703	$19,760	$14,550
Other sales and services	$24,845	$0	$42,261
Investment income	$66,247	$68,979	$96,140
Gifts and donations	($1,055)	$0	$916
Rentals of facilities	$4,583	$0	$7,585
Net school generated funds	$420,252	$300,000	$328,947
Gains on disposal of capital assets	$4,157	$0	$0
Amortization of capital allocations	$680,990	$570,000	$614,805
Total Revenues	$17,116,778	$15,436,789	$15,847,212
EXPENSES			
Certificated salaries	$8,327,592	$7,675,220	$7,812,406
Certificated benefits	$925,521	$848,000	$844,610
Uncertificated salaries and wages	$2,130,759	$2,035,100	$1,980,849
Uncertificated benefits	$408,924	$361,100	$372,263
Services, contracts and supplies	$2,915,017	$2,804,163	$2,718,545
Net school generated funds	$420,252	$300,000	$328,947
Capital and debt services			
Amortization of capital assets			
Supported	$680,990	$570,000	$562,875
Unsupported	$103,660	$105,000	$127,363
Total Amortization of capital assets	$784,650	$675,000	$690,238
Interest on capital debt			
Supported	$627,603	$760,000	$695,711
Unsupported	$0	$0	$0
Total Interest on capital debt	$627,603	$760,000	$695,711
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$51,927
Total Expenses	$16,540,318	$15,458,583	$15,495,498
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$578,460	($21,794)	$351,714
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$578,460	($21,794)	$351,714

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 20

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$578,460	$351,714
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($680,990)	($614,805)
Total amortization expense	$784,650	$690,238
Gains on disposal of capital assets	($4,157)	$0
Losses on sale of capital assets	$0	$51,927
Changes in accrued accounts:		
Accounts receivable	($102,648)	$770,988
Prepaids and other current assets	$26,596	($119,057)
Payables and accrued liabilities	$229,969	$417,837
Deferred revenue	($571,582)	$21,955
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$260,298	$1,570,797
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($2,771,721)	($1,907,619)
Equipment	($161,173)	($36,243)
Vehicles	($41,290)	($28,929)
Net proceeds from disposal of capital assets	$4,157	$0
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($2,970,027)	($1,972,791)
C. FINANCING ACTIVITIES		
Capital allocations received	$6,754,716	$2,771,575
Issue of long term debt	$0	$0
Repayment of long term debt	($645,425)	($645,425)
Add back: supported portion	$645,425	$645,425
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$6,754,716	$2,771,575
Net sources (uses) of cash equivalents* during year	$4,044,987	$2,369,581
Cash Equivalents at the beginning of the year	$4,295,721	$1,926,140
Cash Equivalents at the end of the year	$8,340,708	$4,295,721

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 20

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
					RESTRICTED NET ASSETS										
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS Columns 5 to 15	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$2,535,700	$1,052,102	$82,131	$1,401,467	$1,189,841	$0	$0	$0	$0	$211,626	$0	$0	$0	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$2,535,700	$1,052,102	$82,131	$1,401,467	$1,189,841	$0	$0	$0	$0	$211,626	$0	$0	$0	$0	$0
Surplus(def) of revenue over expenses	$578,460		$578,460												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$119,089	($119,089)	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($784,650)	$784,650												
Amortization of capital allocations		$680,990	($680,990)												
Disposal of unsupported capital assets	$0	$4,157	($4,157)	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers from operating reserves			($641,005)	$641,005	$633,836		$0			($14,643)		$21,812		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$3,114,160	$1,071,688	$0	$2,042,472	$1,823,677	$0	$0	$0	$0	$196,983	$0	$21,812	$0	$0	$0

School Jurisdiction Code: 20

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$1,818,145	$8,468,394
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$1,818,145	$8,468,394
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$6,369,840	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$270,397	
Interest earned on provincial government capital allocations		$114,479	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$645,425
Expended capital allocations - current year		($2,850,938)	$2,850,938
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$680,990
Balance at August 31, 2003		$5,721,923	$11,283,767

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1. Authority and purpose

The jurisdiction delivers education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The Regulation limits funding and expenses for administration. It permits the jurisdiction within specified limits, to reallocate funding between the instruction and support blocks.

As a not-for-profit organization under the Income Tax Act, the School Division is not subject to either federal or provincial income taxes.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue recognition

The St. Thomas Aquinas Roman Catholic Separate Regional Division #38 follows the deferral method of accounting for contributions.

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

2. Summary of significant accounting policies (continued)

Capital assets

Capital assets are recorded at cost. Donated capital assets are recorded at fair market value at the date of the contribution. Amortization is provided on a straight line basis over the assets' estimated useful lives at the following rates:

Buildings	2.5% to 10%
Equipment and vehicles	20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

School generated funds

These are the funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Pensions / Retirement Savings Plans

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the St. Thomas Aquinas Roman Catholic Separate Regional Division does not make pension contributions for certificated staff.

For uncertificated staff, the school jurisdiction contributes to employee's registered retirement savings plans, based upon a percentage of the employee's normal annual salary. The employer expense is recorded as a benefit cost in the period the obligation arises.

Inventories

Inventories are recorded at the lower of cost and net realizable value.

2. Summary of significant accounting policies (continued)

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services, and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Financial instruments

The jurisdictions financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the Regional Division or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

3. Cash and cash equivalents

Cash and cash equivalents include balances internally and externally restricted as follows:

	2003	2002
Externally restricted		
Capital projects	$ 5,721,923	$ 1,818,145
Operations	498,622	1,070,244
Internally restricted		
Operating reserves	2,042,471	1,401,467
	$ 8,263,016	$ 4,289,856

St. Thomas Aquinas Roman Catholic Separate Regional Division #38
Notes to the Financial Statements
August 31, 2003

4. Accounts receivables	2003	Restated 2002
Province of Alberta	$ 647,909	$ 597,823
Federal Government	470,238	596,817
Alberta Municipalities	325,649	191,956
Other	112,442	66,994
Total	$1,556,238	$1,453,590

5. Accounts payable and liabilities	2003	Restated 2002
Province of Alberta	$ 760,671	$ 669,948
Federal Government	9,887	158,820
Other Alberta School Jurisdictions	-	5,694
Other trade payables and accrued liabilities	1,102,449	808,576
Total	$1,873,007	$1,643,038

6. Deferred revenue	2003	Restated 2002
Infrastructure maintenance program	$ 207,793	$ 475,158
Block modernization	246,119	507,070
Lease incentive	44,400	49,950
AMFC rebate	-	37,716
School fees	350	350
Total	$ 498,662	$1,070,244

7. Trust assets and liabilities	2003	2002
Deferred Salary Leave Plan	$ 541	$ 38,048
Kneival Trust Fund	23,744	23,092
Total	$ 24,285	$ 61,140

8. Long term debt

a) Debenture debt - supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

8. Long term debt (continued)

	Principal	Interest	Total
2004	$ 645,425	$ 596,624	$ 1,242,049
2005	645,425	528,516	1,173,941
2006	617,425	460,409	1,077,834
2007	554,634	395,662	950,296
2008	532,839	338,449	871,288
2009 to maturity	2,851,533	1,140,491	3,992,024
Total	$ 5,847,281	$ 3,460,151	$ 9,307,432

9. Deferred capital allocations

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

10. Unamortized capital allocations

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

11. Commitments

Office premises

The Regional Division has entered into an agreement to lease its office premises until April 1, 2012. The annual rent payable is $48,500.

Buildings

The Regional Division received approval from Alberta Infrastructure to complete modernization of two schools as well as a replacement school. The cost of these modernizations/new construction will be fully supported and is expected to be $11,395,138. To date they have spent $4,720,824.

12. Contingencies

The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

13. Economic dependence on related third party

The Regional Division received 85.6% (2002 – 85.2%) of its revenues pursuant to a funding arrangement with Alberta Government.

14. Budget amounts

The budget was prepared by the Regional Division and approved by the Board of Trustees on June 19, 2002. It is presented for information purposes only and has not been audited.

15. Comparative figures

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

The 2002 comparative figures for Operating Reserves and Unrestricted Net Assets have been restated from those presented in the final version of the Audited Financial Statements for the Year Ended August 31, 2002.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin.	External Services
Alberta Learning allocations									
(1) Instruction block	$10,532,633	$402,499	$10,130,134						
(2) Support block	$969,414				$266,738			$702,676	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$258,577	$0	$258,577						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$494,000	$33,098	$460,902					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$10,086	$0	$10,086	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$12,264,710	$435,597	$10,859,699	$0	$266,738			$702,676	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$279,962	$0	$0	$279,962					
(13) Operations & Maintenance support	$1,313,241			$1,313,241					
(14) Operations & Maintenance support (One-Time)	$123,458			$123,458					
(15) **Total Alberta Infrastructure Revenue**	$1,716,661	$0	$0	$1,716,661					
(16) **Alberta Finance**	$665,318			$665,318	$0			$0	$0
(17) **Other - Government of Alberta**	$4,667	$0	$4,667	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$1,066,739	$22,280	$927,118	$0	$0			$117,341	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$48,200	$0	$48,200	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$136,761	$6,533	$130,228						
(23) **Transportation fees**	$15,703				$15,703				
(24) **Other sales and services**	$24,845	$0	$16,258	$8,587	$0			$0	$0
(25) **Investment income**	$66,247	$0	$0	$0	$0			$66,247	$0
(26) **Gifts and donations**	($1,055)	$0	($1,055)	$0	$0				$0
(27) **Rentals of facilities**	$4,583		$0	$4,583	$0			$0	$0
(28) **Net school generated funds**	$420,252		$420,252					$0	
(29) **Gains on disposal of capital assets**	$4,157		$0	$4,157	$0			$0	$0
(30) **Amortization of capital allocations**	$680,990		$27,490	$653,500	$0				$0
(31) **TOTAL REVENUES**	$17,118,778	$464,410	$12,432,857	$3,052,806	$282,441			$886,264	$0
EXPENSES									
(32) **Certificated salaries**	$8,327,592	$250,597	$7,851,190				$225,805	$225,805	$0
(33) **Certificated benefits**	$925,521	$32,930	$873,752				$18,839	$18,839	$0
(34) **Uncertificated salaries and wages**	$2,130,759	$88,142	$1,305,798	$467,739	$0	$33,600	$235,480	$269,080	$0
(35) **Uncertificated benefits**	$408,924	$15,657	$239,458	$107,310	$0	$0	$46,499	$46,499	$0
(36) **SUB - TOTAL**	$11,792,796	$387,326	$10,270,198	$575,049	$0	$33,600	$526,623	$560,223	$0
(37) **Services, contracts & supplies**	$2,915,017	$26,936	$1,041,988	$1,177,374	$335,666	$98,787	$234,266	$333,053	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$420,252		$420,252						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$680,990	$0	$27,490	$653,500	$0		$0	$0	$0
(41) Unsupported	$103,660	$0	$78,115	$19,280	$0	$0	$6,265	$6,265	$0
(42) Total Amortization	$784,650	$0	$105,[illegible]	$672,780	$0	$0	$6,265	$6,265	$0
Interest on capital debt									
(43) Supported	$627,603	$0	$0	$627,603	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$16,540,318	$414,262	$11,838,043	$3,052,806	$335,666	$132,387	$767,154	$899,541	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$578,460	$50,148	$594,814	$0	($53,225)			($13,277)	$0
Applicable student numbers/FTE equivalent	2,272.1	149	2,272.1	2,272.0	281			2,274.0	
AVERAGE PROGRAM COSTS per student	$7,280	$2,780	$5,210	$1,344	$1,195			$396	

School Jurisdiction Code: ______ 20

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$6,342,130	$817,952	$0	$506,520	$0	$184,588	$0	$7,851,190
Certificated benefits	$726,681	$69,990	$0	$55,244	$0	$21,837	$0	$873,752
Uncertificated salaries and wages	$99,888	$513,926	$0	$0	$664,380	$27,604	$0	$1,305,798
Uncertificated benefits	$16,097	$91,276	$0	$0	$126,880	$5,205	$0	$239,458
SUB - TOTAL REMUNERATION	$7,184,796	$1,493,144	$0	$561,764	$791,260	$239,234	$0	$10,270,198
Services, contracts & supplies	$624,536	$351,430	$0	$28,224	$4,032	$33,766	$0	$1,041,988
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$420,252							$420,252
Amortization of capital assets								
Supported	$27,490	$0	$0					$27,490
Unsupported	$57,410	$20,705	$0					$78,115
Total Amortization	$84,900	$20,705	$0					$105,605
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$8,314,484	$1,865,279	$0	$589,988	$795,292	$273,000	$0	$11,838,043
FTE Certificated				10.8	0.0			
FTE Uncertificated				0.0	50.3			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$8,976,028	$729,565	$1,384,732	$0	$11,090,325	$8,473,435	$2,616,890
School Admin & Instruction Support Expenses						$1,865,279	($1,865,279)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$8,976,028	$729,565	$1,384,732	$0	$11,090,325	$10,338,714	$751,611
Sub-Programs & Initiatives							
Severely Disabled	$799,140		$58,198		$857,338	$795,292	$62,046
English as a Second Language	$10,108				$10,108	$10,108	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$48,829		$0		$48,829	$29,026	$19,803
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$21,071				$21,071		$21,071
Growth & Density	$14,734				$14,734		$14,734
Teacher Assistants Program	$44,690				$44,690	$44,690	$0
Early Literacy Initiative (K-2)	$71,280				$71,280	$77,123	($5,843)
Learning Resources Credit & Resources for the Classroom	$57,287	$0	$130,228		$187,515	$442,426	($254,911)
Technology Integration	$84,452		$0		$84,452	$92,262	($7,810)
French Language Program & Francisation (all jurisdictions)	$1,259		$0		$1,259	$1,817	($558)
Home Education	$1,256		$0		$1,256	$6,585	($5,329)
Total Sub-Programs & Initiatives	$1,154,106		$188,426		$1,342,532	$1,499,329	($156,797)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$10,130,134	$729,565	$1,573,158	$0	$12,432,857	$11,838,043	$594,814

School Jurisdiction Code: 20

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$402,499	$10,130,134		$266,738	$702,676	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$10,532,633* = *$210,653* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 20

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$10,448,181
Support Block - Transportation	$266,738
SUBTOTAL	$10,714,919

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$1,313,241
Teacher Salary Enhancement	$494,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$4,667
Federal government/First Nations	$1,066,739
Other Alberta school authorities	$0
Out of province local authorities	$48,200
Alberta municipalities	$0
Other sales and services	$24,845
Interest on investments	$66,247
Rentals of facilities	$4,583
Gains on disposal of capital assets	$4,157
Amortization of capital allocations	$680,990
School generated funds (Schedule E)	$640,341
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$15,062,929**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**5.86%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$882,688

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$882,688**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$899,541
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$14,643
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$884,898
Maximum Expense Limit for Board & System Administration (Step 3)	$882,688
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	$2,210

School Jurisdiction Code: 20

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$146,639
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$640,341	
Less: SGF - related cost recoveries (Note 3)	$213,503	
- capitalized at the District level (Note 4)	$0	
Net Total	$426,838	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$426,838
Net SGF Available for discretionary spending		$573,477
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$420,252
Unexpended SGF - Closing Balance August 31, 2003		$153,225

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 20

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$415,978	$41,923	$0	$0	$9,838	$467,739		$467,739
Uncertificated benefits	$96,460	$10,850	$0	$0	$0	$107,310		$107,310
Sub-total Remuneration	$512,438	$52,773	$0	$0	$9,838	$575,049		$575,049
Contracted Services	$98,736	$10,971	$0	$0	$0	$109,707		$109,707
Supplies	$99,373	$160,923	$0	$279,962	$29,807	$570,065		$570,065
Electricity			$266,373			$266,373		$266,373
Natural Gas/Heating Fuel			$177,902			$177,902		$177,902
Sewer and Water			$22,493			$22,493		$22,493
Telecommunications			$1,316			$1,316		$1,316
Insurance					$29,518	$29,518		$29,518
Amortization of capital assets								
Supported							$653,500	$653,500
Unsupported						$19,280		$19,280
Total Amortization						$19,280	$653,500	$672,780
Interest on capital debt								
Supported							$627,603	$627,603
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$710,547	$224,667	$468,084	$279,962	$69,163	$1,771,703	$1,281,103	$3,052,806
SQUARE METRES								
School Buildings								351,486.0
Non School Buildings								2,000.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictly, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Fred Calkins	1.0	$4,800	$0	$0	$0	$0	$4,800	$6,271
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Linda Webber	1.0	$3,600	$0	$0	$0	$0	$3,600	$6,142
Name	Dan Aloisio	1.0	$3,600	$0	$0	$0	$0	$3,600	$5,555
Name	Glen Tompolski	1.0	$3,600	$0	$0	$0	$0	$3,600	$6,537
Name	Michael Wyeth	1.0	$3,600	$0	$0	$0	$0	$3,600	$7,431
Name	George Ollenberger	1.0	$3,600	$0	$0	$0	$0	$3,600	$6,846
Name	Charlie Swap	1.0	$3,600	$0	$0	$0	$0	$3,600	$6,943
Name	James McQueen	1.0	$3,600	$0	$0	$0	$0	$3,600	$4,960
Name	Sandra Lyon	1.0	$3,600	$0	$0	$0	$0	$3,600	$6,394
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*9.0*	*$33,600*	*$0*	*$0*	*$0*	*$0*	*$33,600*	*$57,079*
Superintendent	Metro Huculak	1.0	$111,000	$9,678	$0	$0	$0	$120,678	$13,496
Superintendent		1.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Jeff Redmond	0.0	$80,000	$18,834	$0	$0	$0	$98,834	$7,339
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		131.0	$8,204,621	$915,843	$0	$0	$11,971	$9,132,435	
Uncertificated Salaries & Wages		80.4	$2,017,159	$390,090	$0	$0	$0	$2,407,249	
TOTALS			**$10,446,380**	**$1,334,445**	**$0**	**$0**	**$11,971**	**$11,792,796**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 20

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1110

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

STURGEON SCHOOL DIVISION # 24
Name of School Jurisdiction

9820 - 104 Street, Morinville, AB T8R 1L8
Mailing Address

TELEPHONE: 780-939-4341 FAX: 780-939-5520
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules STURGEON SCHOOL DIVISION # 24 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN
Name: Gail Horner
Signature: "Original signed by"

SUPERINTENDENT
Name: Evan Miller
Signature: "Original signed by"

SECRETARY TREASURER OR TREASURER
Name: Karen Parasynchuk
Signature: "Original signed by"

26-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 1110

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AUDITORS' REPORT

To the Board of Trustees
Sturgeon School Division No. 24

We have audited the statement of financial position of Sturgeon School Division No. 24 as at August 31, 2003 and the statements of revenues and expenses, cash flows, and changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an audit opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Hawkings Epp Dumont LLP

HAWKINGS EPP DUMONT LLP
Chartered Accountants

Edmonton, Alberta
October 23, 2003

Founding Partners
F.J. Bruha, CA (Deceased)
A.W. Whelan, CA (Retired)

Stony Plain Office
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*Professional Corporation

School Jurisdiction Code: 1110

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$3,526,129	$8,021,164
Accounts receivable (net after allowances)		$1,160,982	$662,467
Prepaid expenses		$495,980	$362,013
Other current assets		$0	$0
Total current assets		$5,183,091	$9,045,644
School generated assets		$295,831	$296,006
Trust assets		$39,035	$82,025
Long term accounts receivable		$0	$0
Capital assets			
Land		$1,424,541	$1,424,451
Buildings	$46,058,809		
Less: accumulated amortization	($20,495,110)	$25,563,699	$24,331,874
Equipment	$2,316,347		
Less: accumulated amortization	($873,675)	$1,442,672	$1,068,683
Vehicles	$794,400		
Less: accumulated amortization	($446,823)	$347,577	$416,298
Total capital assets		$28,778,489	$27,241,306
TOTAL ASSETS		$34,296,446	$36,664,981
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$754,291	$2,266,560
Deferred revenue		$473,816	$827,119
Deferred capital allocations		$220,024	$2,105,560
Current portion of all long term debt		$860,285	$1,091,056
Total current liabilities		$2,308,416	$6,290,295
School generated liabilities		$295,831	$296,006
Trust liabilities		$39,035	$82,025
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$4,336,428	$5,418,785
Less: Current portion of supported debt		($850,585)	($1,082,356)
Unsupported: Debentures and Capital Loans		$69,694	$78,457
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($9,700)	($8,700)
Unamortized capital allocations		$21,428,841	$19,107,335
Total long term liabilities		$25,309,544	$23,891,552
TOTAL LIABILITIES		$27,617,960	$30,181,847
NET ASSETS			
Unrestricted net assets		$293,870	$139,002
Operating Reserves		$3,098,212	$3,325,323
Accumulated Operating Surplus (Deficit)		$3,392,082	$3,464,325
Investment in capital assets		$2,943,526	$2,636,729
Capital Reserves		$342,878	$382,080
Total Capital Funds		$3,286,404	$3,018,809
Total net assets		$6,678,486	$6,483,134
TOTAL LIABILITIES AND NET ASSETS		$34,296,446	$36,664,981

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1110

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$31,623,401	$30,577,345	$30,926,024
Alberta Infrastructure	$3,370,655	$3,040,618	$1,489,289
Alberta Finance	$505,108	$505,108	$633,129
Other Government of Alberta	$235,331	$241,500	$365,417
Federal Government and/or First Nations	$354,188	$312,953	$277,103
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$273,619	$260,421	$281,000
Transportation fees	$0		$0
Other sales and services	$430,428	$113,500	$576,893
Investment income	$148,259	$108,000	$166,818
Gifts and donations	$17,252	$0	$0
Rentals of facilities	$0	$0	$0
Net school generated funds	$52,890	$274,208	$56,703
Gains on disposal of capital assets	$4,900	$0	$27,753
Amortization of capital allocations	$1,216,267	$1,219,678	$1,221,715
Total Revenues	$38,232,299	$36,673,331	$36,021,844
EXPENSES			
Certificated salaries	$18,333,645	$17,691,973	$17,057,785
Certificated benefits	$1,860,096	$2,008,443	$1,711,643
Uncertificated salaries and wages	$6,672,364	$5,447,613	$6,054,846
Uncertificated benefits	$1,326,481	$1,295,215	$1,043,312
Services, contracts and supplies	$7,820,035	$8,658,049	$7,236,853
Net school generated funds	$52,890	$274,208	$56,703
Capital and debt services			
Amortization of capital assets			
Supported	$1,216,267	$1,219,678	$1,221,715
Unsupported	$250,061	$120,696	$120,694
Total Amortization of capital assets	$1,466,328	$1,340,374	$1,342,409
Interest on capital debt			
Supported	$505,108	$505,108	$633,129
Unsupported	$0		$0
Total Interest on capital debt	$505,108	$505,108	$633,129
Other interest charges	$0	$0	$4,875
Losses on disposal of capital assets	$0	$0	$3,579
Total Expenses	$38,036,947	$37,220,983	$35,145,134
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$195,352	($547,652)	$876,710
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$195,352	($547,652)	$876,710

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1110

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002 8021164
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$195,352	$876,710
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,216,267)	($1,221,715)
Total amortization expense	$1,466,328	$1,342,409
Gains on disposal of capital assets	($4,900)	($27,753)
Losses on sale of capital assets	$0	$3,579
Changes in accrued accounts:		
Accounts receivable	($498,515)	$346,322
Prepaids and other current assets	($133,967)	$9,634
Payables and accrued liabilities	($1,512,269)	$15,160
Deferred revenue	($353,303)	$292,239
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($2,057,541)	$1,636,585
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($2,322,474)	($4,846,081)
Equipment	($681,037)	($504,960)
Vehicles	$0	($366,233)
Net proceeds from disposal of capital assets	$4,932	$39,386
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,998,579)	($5,677,888)
C. FINANCING ACTIVITIES		
Capital allocations received	$569,848	$2,089,767
Issue of long term debt	$0	$78,457
Repayment of long term debt	($1,091,120)	($1,273,185)
Add back: supported portion	$1,082,389	$1,273,185
Other (describe)	($32)	$0
Total sources (uses) from Financing activities	$561,085	$2,168,224
Net sources (uses) of cash equivalents* during year	($4,495,035)	($1,873,079)
Cash Equivalents at the beginning of the year	$8,021,164	$9,894,243
Cash Equivalents at the end of the year	$3,526,129	$8,021,164

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 1110

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$6,483,134	$2,636,729	$139,002	$3,707,403	$2,925,591	$44,336	$226,692	$90,942	$242,083	$199,687	$0	($26,647)	$4,719	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$6,483,134	$2,636,729	$139,002	$3,707,403	$2,925,591	$44,336	$226,692	$90,942	$242,083	$199,687	$0	($26,647)	$4,719	$0	$0
Surplus(def) of revenue over expenses	$195,352		$195,352												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$548,095	($548,095)	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,466,328)	$1,466,328												
Amortization of capital allocations		$1,216,267	($1,216,267)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$8,763	($8,763)												
Net transfers to operating reserves			($5,876)	$5,876	$0					$483		$5,394		$0	
Net transfers from operating reserves			$232,987	($232,987)	($214,186)		($18,801)			$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$39,202	($39,202)		($39,202)			$0		$0		$0		$0
Balance at August 31, 2003	$6,678,486	$2,943,526	$293,870	$3,441,090	$2,711,405	$5,134	$207,891	$90,942	$242,083	$200,170	$0	($21,253)	$4,719	$0	$0

School Jurisdiction Code: 1110

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002	$2,105,560	$19,107,335
Prior period adjustment	$0	
Adjusted balance, August 31, 2002	$2,105,560	$19,107,335
Add:		
Capital allocations from: AB Infrastructure - New/Modernization Projects	$556,170	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$13,678	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (depreciable, at Fair Market Value)		$0
Transferred in capital assets (depreciable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$1,082,389
Expended capital allocations - current year	($2,455,384)	$2,455,384
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,216,267
Balance at August 31, 2003	$220,024	$21,428,841

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

STURGEON SCHOOL DIVISION NO. 24

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2003

1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The School Division receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the School Division, within specified limits, to reallocate funding between the instruction and support blocks.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

(b) Capital Assets

Capital assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following annual rates:

Buildings	15 - 40 years
Equipment	5 and 10 years
Vehicles	5 and 10 years

Only capital assets with costs in excess of $5,000 are capitalized. Any capital funding received for asset additions is amortized over the same period as the related asset (see Note 10).

(c) School Generated Funds

School generated funds are funds in the community, which come under the control and responsibility of the school principal and are for student activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

(d) Vacation Pay

Vacation pay is accrued in the period in which the benefit is earned by the employee.

STURGEON SCHOOL DIVISION NO. 24

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The Division participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $308,991 (2002 - $237,078) during the fiscal year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Division does not make pension contributions for certificated staff.

(f) Inventories

Inventories are valued at the lessor of cost or net realizable value.

(g) Prepaid Expenses

Certain expenses incurred and paid for before the close of the fiscal year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

(h) Contributed Services

Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty of determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

(i) Financial Instruments

The School Division's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the School Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

3. ACCOUNTS RECEIVABLE

	2003	2002
Provincial government	$ 978,831	$ 451,232
Federal government	130,975	115,579
Other	51,176	73,794
Other Alberta school jurisdictions	-	21,862
	$ 1,160,982	$ 662,467

STURGEON SCHOOL DIVISION NO. 24

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

4. PREPAID EXPENSES AND INVENTORIES

	2003	2002
Prepaid expenses	$ 474,090	$ 342,075
Inventories	21,890	19,938
	$ 495,980	$ 362,013

5. TRUST ASSETS AND LIABILITIES

	2003	2002
Scholarship Trusts	$ 39,035	$ 37,794
Deferred Salary Leave Plan	-	44,231
	$ 39,035	$ 82,025

(a) Scholarship Trusts
The School Division administers two separate trust funds which are used to pay the Frank Robinson scholarship and Halina Dudzic awards.

The School Division also holds trust funds on behalf of the Sturgeon School Division Bursary Foundation and is responsible for paying an annual bursary of $600.

(b) Deferred Salary Leave Plan
During 1989, the School Division established a Deferred Salary Leave Plan, whereby employees are able, at their option, to defer a portion of their salary for a maximum period of six years. The funds are held in trust and invested in a savings trust account by the School Division.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2003	2002
Trade payables and accrued liabilities	$ 499,575	$ 1,916,051
Province of Alberta	$ 254,716	349,723
Federal Government	-	786
	$ 754,291	$ 2,266,560

STURGEON SCHOOL DIVISION NO. 24

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2003

7. DEFERRED REVENUE

	2003	2002
Building Quality Restoration Program	$ 229,512	$ 422,826
Other	156,488	91,488
2002-03 budget one-time transportation grant	52,900	131,299
LRDC credit	20,839	19,246
Material fees	14,077	15,764
Alberta Initiative for School Improvement	-	146,496
	$ 473,816	$ 827,119

8. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the School Division have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

9. LONG-TERM DEBT

	2003	2002
Alberta Capital Finance Authority debentures	$ 4,336,428	$ 5,418,785
Capital loan bearing interest at 7% annually, repayable in monthly installments of $1,188, maturing August 2009. The loan is secured by a bus with a carrying value of $67,468.	69,694	78,457
	4,406,122	5,497,242
Less: Current Portion	(860,285)	(1,091,056)
	$ 3,545,837	$ 4,406,186

Principal payments due over the next five years and thereafter are as follows:

	Debentures	Capital Loan	Total
2004	$ 850,585	$ 9,700	$ 860,285
2005	715,218	10,400	725,618
2006	625,305	11,100	636,405
2007	480,319	11,900	492,219
2008	312,680	12,800	325,480
Thereafter	1,352,321	13,794	1,366,115
	$ 4,336,428	$ 69,694	$ 4,406,122

The debentures held with Alberta Capital Finance Authority bear interest at rates ranging from 6.875% to 12.0% and are fully supported by Alberta Finance.

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the School Division's net investment in capital assets (other than land and equipment), purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on the related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

11. INTERNALLY RESTRICTED NET ASSETS

The Board of Trustees has internally restricted $3,098,214 (2002 - $3,325,323) for future operating expenditures and $342,878 (2002 - $382,080) for future capital expenditures. These internally restricted amounts are not available for other purposes without the approval of the Board of Trustees.

12. COMMITMENTS

Equipment Leases

The School Division is committed to the following payments for equipment operating leases over the next five years:

2004	$ 162,273
2005	162,273
2006	162,273
2007	151,701
2008	13,100
	$ 651,620

13. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The School Division's primary source of income is from the Province of Alberta. The Division's ability to continue viable operations is dependent on this funding.

14. CONTINGENCIES

(a) Contingent Liability

On December 15, 2000, the School Division entered into an agreement with the Minister of National Defence. Under the terms of the agreement, the School Division leases land from the Minister, on which the new Guthrie School is located, in the amount of $1.00 per annum for a period of twenty-five years commencing on September 1, 2000 and continuing until August 31, 2025. The School Division has the option to renew the lease for a further twenty-five year term under the same terms and conditions provided the School Division notifies the Minister at least twelve months prior to the expiry of the present lease term of its intention to exercise this option.

Additionally, upon termination of the lease by either the School Division or the Minister, the School Division shall, at the choice of the Minister either, convey ownership of the new Guthrie School to the Minister for nominal consideration of $1.00, or demolish the school at its sole expense.

14. CONTINGENCIES (CONT'D)

(b) Contingent Asset

The School Division is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the School Division can liquidate.

15. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 1110

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$24,985,557	$2,123,934	$22,861,622						
(2) Support block	$4,866,577				$3,390,485			$1,476,091	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$729,268		$729,268						
(5) Student Health Initiative (SHI)	$20,000		$20,000						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,022,000		$1,022,000					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$0	$0	$0	$0				$0	$0
(11) **Total Alberta Learning Revenue**	$31,823,401	$2,123,934	$24,632,890	$0	$3,390,485			$1,476,091	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$269,719	$0	$0	$269,719					
(13) Operations & Maintenance support	$2,859,570			$2,859,570					
(14) Operations & Maintenance support (One-Time)	$241,366			$241,366					
(15) **Total Alberta Infrastructure Revenue**	$3,370,655	$0	$0	$3,370,655					
(16) **Alberta Finance**	$505,108			$505,108	$0			$0	$0
(17) **Other - Government of Alberta**	$235,331	$142,350	$92,981	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$354,188	$0	$294,786	$40,436	$0			$18,967	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$273,619	$273,619	$0						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$430,428	$19,600	$228,342	$3,663	$0			$11,788	$167,035
(25) **Investment income**	$148,259	$0	$124,535	$16,260	$0			$7,464	$0
(26) **Gifts and donations**	$17,252	$0	$17,252	$0	$0				$0
(27) **Rentals of facilities**	$0		$0	$0	$0			$0	$0
(28) **Net school generated funds**	$52,890		$52,890					$0	
(29) **Gains on disposal of capital assets**	$4,900		$1,400	$0	$3,500			$0	$0
(30) **Amortization of capital allocations**	$1,216,267			$1,210,266	$6,001				$0
(31) **TOTAL REVENUES**	$38,232,299	$2,559,503	$25,445,075	$5,146,388	$3,399,987			$1,514,311	$167,035
EXPENSES									
(32) **Certificated salaries**	$18,333,645	$327,807	$17,573,953				$327,951	$327,951	$103,934
(33) **Certificated benefits**	$1,860,096	$37,981	$1,793,561				$22,125	$22,125	$6,429
(34) **Uncertificated salaries and wages**	$6,672,364	$844,979	$3,811,275	$1,449,583	$185,456	$111,425	$421,618	$533,043	$48,048
(35) **Uncertificated benefits**	$1,326,481	$151,252	$757,566	$296,552	$26,066	$1,983	$84,438	$86,421	$8,624
(36) **SUB - TOTAL**	$28,192,586	$1,362,018	$23,736,356	$1,746,115	$211,522	$113,408	$856,133	$969,541	$167,035
(37) **Services, contracts & supplies**	$7,820,035	$329,465	$2,426,770	$1,646,414	$3,010,370	$24,053	$382,964	$407,017	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$52,890		$52,890						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,216,267	$0	$0	$1,210,266	$6,001		$0	$0	$0
(41) Unsupported	$250,061	$0	$148,020	$23,651	$51,908	$0	$26,482	$26,482	$0
(42) Total Amortization	$1,466,328	$0	$148,020	$1,233,917	$57,909	$0	$26,482	$26,482	$0
Interest on capital debt									
(43) Supported	$505,108	$0	$0	$505,108	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$38,036,947	$1,691,483	$26,364,036	$5,131,553	$3,279,801	$137,461	$1,265,579	$1,403,039	$167,035
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$195,352	$868,020	($918,961)	$14,835	$120,186			$111,271	$0
Applicable student numbers/FTE equivalent	4,715.5	401	4,515.0	4,916.0	4,031			4,916.0	
AVERAGE PROGRAM COSTS per student	$8,066	$4,218	$5,839	$1,044	$814			$285	

School Jurisdiction Code: 1110

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$13,284,161	$1,651,100	$229,597	$925,812	$925,812	$557,471	$0	$17,573,953
Certificated benefits	$1,420,362	$146,683	$19,564	$100,396	$100,396	$6,159	$0	$1,793,561
Uncertificated salaries and wages	$1,970,344	$120,836	$325,854	$298,140	$894,421	$1,680	$0	$3,611,275
Uncertificated benefits	$458,551	$22,137	$63,258	$53,405	$160,215	$0	$0	$757,566
SUB - TOTAL REMUNERATION	$17,133,419	$1,940,756	$638,274	$1,377,753	$2,080,843	$565,310	$0	$23,736,356
Services, contracts & supplies	$1,303,137	$198,708	$327,649	$110,665	$331,995	$154,616	$0	$2,426,770
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$52,890							$52,890
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$148,020	$0	$0					$148,020
Total Amortization	$148,020	$0	$0					$148,020
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$18,637,465	$2,139,464	$965,923	$1,488,418	$2,412,839	$719,927	$0	$26,364,036
FTE Certificated				13.5	13.5			
FTE Uncertificated				13.0	40.0			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$19,336,417	$1,771,268	$812,184	$0	$21,919,870	$19,932,462	$1,987,407
School Admin & Instruction Support Expenses						$2,139,464	($2,139,464)
System Instruction Support Expenses						$965,923	($965,923)
Total Basic Instruction	$19,336,417	$1,771,268	$812,184	$0	$21,919,870	$23,037,849	($1,117,979)
Sub-Programs & Initiatives							
Severely Disabled	$2,599,477		$0		$2,599,477	$2,412,839	$186,638
English as a Second Language	$47,724				$47,724	$47,724	$0
Enhanced Opportunities	$21,000				$21,000	$21,000	$0
First Nations, Metis, and Inuit Education	$49,412		$0		$49,412	$49,412	$0
Institutional Programs	$294,202				$294,202	$294,202	$0
Sparsity & Distance	$5,328				$5,328		$5,328
Growth & Density	$7,052				$7,052		$7,052
Teacher Assistants Program	$86,833				$86,833	$86,833	($0)
Early Literacy Initiative (K-2)	$164,882				$164,882	$164,882	($0)
Learning Resources Credit & Resources for the Classroom	$44,693	$0	$0		$44,693	$44,693	$0
Technology Integration	$185,545		$0		$185,545	$185,545	$0
French Language Program & Francisation (all jurisdictions)	$0		$0		$0	$0	$0
Home Education	$19,057		$0		$19,057	$19,057	$0
Total Sub-Programs & Initiatives	$3,525,205		$0		$3,525,205	$3,326,187	$199,018
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$22,861,622	$1,771,268	$812,184	$0	$25,445,075	$26,364,036	($918,961)

School Jurisdiction Code: 1110

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$2,123,934	$22,861,622		$3,390,485	$1,476,091	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of ***$24,985,557*** ***=*** ***$499,711*** ***$0***						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1110

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$24,800,012
Support Block - Transportation	$3,390,485
SUBTOTAL	$28,190,497

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,859,570
Teacher Salary Enhancement	$1,022,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$235,331
Federal government/First Nations	$354,188
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$430,428
Interest on investments	$148,259
Rentals of facilities	$0
Gains on disposal of capital assets	$4,900
Amortization of capital allocations	$1,216,267
School generated funds (Schedule E)	$995,740
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$35,457,180**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**4.81%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,704,320

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,704,320**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,403,039
PLUS: transfers to Restricted - Operating (Board/System Administration)	$483
LESS: transfers from Restricted - Operating (Board/System Administration)	
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,403,522
Maximum Expense Limit for Board & System Administration (Step 3)	$1,704,320
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$300,798

School Jurisdiction Code: 1110

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1)		$296,006
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$995,740	
Less: SGF - related cost recoveries (Note 3)	$963,430	
- capitalized at the District level (Note 4)	$0	
Net Total	$32,310	
Plus: Donations Received (Note 5)	$20,405	
Equals: Net Additions to SGF		$52,715
Net SGF Available for discretionary spending		$348,721
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$52,890
Unexpended SGF - Closing Balance August 31, 2003		$295,831

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1110

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,055,767	$393,796	$0	$0	$0	$1,449,563		$1,449,563
Uncertificated benefits	$216,246	$80,306	$0	$0	$0	$296,552		$296,552
Sub-total Remuneration	$1,272,013	$474,102	$0	$0	$0	$1,746,115		$1,746,115
Contracted Services	$767	$50,992	$0	$269,719	$0	$321,478		$321,478
Supplies	$69,033	$27,140	$0	$0	$44,260	$140,432		$140,432
Electricity			$492,385			$492,385		$492,385
Natural Gas/Heating Fuel			$504,077			$504,077		$504,077
Sewer and Water			$65,253			$65,253		$65,253
Telecommunications			$5,584			$5,584		$5,584
Insurance					$117,205	$117,205		$117,205
Amortization of capital assets								
Supported							$1,210,266	$1,210,266
Unsupported						$23,651		$23,651
Total Amortization						$23,651	$1,210,266	$1,233,917
Interest on capital debt								
Supported							$505,108	$505,108
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,341,813	$552,233	$1,067,299	$269,719	$161,465	$3,416,179	$1,715,374	$5,131,553
SQUARE METRES								
School Buildings								55,538.4
Non School Buildings								1,481.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety staindards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1110

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Gail Homer	1.0	$17,875	$408	$0	$0	$0	$18,283	$4,052
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Careen Fundytus	1.0	14,950.0	$315	$0	$0	$0	$15,265	$2,123
Name	Therese Gervais	1.0	$14,300	$89	$0	$0	$0	$14,389	$4,339
Name	Fred Hrynchuk	1.0	$18,200	$419	$0	$0	$0	$18,619	$5,509
Name	Robert Milligan	1.0	$15,550	$101	$0	$0	$0	$15,651	$3,075
Name	Terry Jewell	1.0	$15,750	$341	$0	$0	$0	$16,091	$3,413
Name	Micky Ross Carlton	1.0	$14,800	$310	$0	$0	$0	$15,110	$1,543
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*7.0*	*$111,425*	*$1,983*	*$0*	*$0*	*$0*	*$113,408*	*$24,053*
Superintendent		1.0	$113,600	$6,755	$0	$0	$0	$120,355	$14,315
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		1.0	$84,000	$18,971	$0	$0	$0	$102,971	$2,270
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		267.8	$18,220,045	$1,853,341	$0	$0	$0	$20,073,386	
Uncertificated Salaries & Wages		220.8	$6,476,939	$1,305,527	$0	$0	$0	$7,782,466	
TOTALS			$25,006,009	$3,186,577	$0	$0	$0	$28,192,586	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 1110

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 12

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Suzuki Charter School Society
Name of School Jurisdiction

7211 - 96A Avenue, Edmonton, Alberta
Mailing Address

phone 468-2598 fax 463-8630
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Suzuki Charter School Society (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Lissa Bonnell Davies	"Original Signed By"
Name	**Signature**

SUPERINTENDENT

Bruce McIntosh	"Original Signed By"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Heather Christison-Lopes	"Original Signed By"
Name	**Signature**

20-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 12

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AUDITORS' REPORT

To the Board of Directors
Suzuki Charter School Society

We have audited the statement of financial position of the Suzuki Charter School Society as at August 31 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the charter school's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the charter school as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Tober Hembling

Chartered Accountants

Edmonton, Alberta

November 5, 2003

School Jurisdiction Code: 12

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002 Restated
ASSETS			
Current assets			
Cash and temporary investments		$29,690	$33,895
Accounts receivable (net after allowances)		$43,165	$27,711
Prepaid expenses		$2,058	$3,361
Other current assets		$0	$0
Total current assets		$74,913	$64,967
School generated assets		$119,589	$88,789
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Capital assets			
Land		$0	$0
Buildings	$107,469		
Less: accumulated amortization	($17,200)	$90,269	$94,569
Equipment	$99,765		
Less: accumulated amortization	($53,950)	$45,815	$61,294
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$136,084	$155,863
TOTAL ASSETS		$330,586	$309,619
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$36,095	$26,772
Deferred revenue		$9,644	$8,496
Deferred capital allocations		$0	$0
Current portion of all long term debt		$38,605	$12,482
Total current liabilities		$84,344	$47,750
School generated liabilities		$119,589	$88,789
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$0	$0
	Less: Current portion of supported debt	$0	$0
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$38,605	$51,087
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($38,605)	($12,482)
Unamortized capital allocations		$0	$0
Total long term liabilities		$119,589	$127,394
TOTAL LIABILITIES		$203,933	$175,144
NET ASSETS			
Unrestricted net assets		$29,173	$29,698
Operating Reserves		$0	$0
Accumulated Operating Surplus (Deficit)		$29,173	$29,698
Investment in capital assets		$97,480	$104,777
Capital Reserves		$0	$0
Total Capital Funds		$97,480	$104,777
Total net assets		$126,653	$134,475
TOTAL LIABILITIES AND NET ASSETS		$330,586	$309,619

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 12

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003 Unaudited	Actual 2002 Restated
REVENUES			
Alberta Learning	$651,771	$608,501	$627,256
Alberta Infrastructure	$204,280	$211,421	$173,850
Alberta Finance	$0	$0	$0
Other Government of Alberta	$0	$28,000	$0
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$9,422	$10,600	$5,300
Transportation fees	$0	$0	$0
Other sales and services	$25,745	$3,500	$0
Investment income	$304	$0	$76
Gifts and donations	$700	$3,000	$13,612
Rentals of facilities	$39,679	$38,349	$0
Net school generated funds	$13,078	$27,000	$10,122
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$944,979	$930,371	$830,216
EXPENSES			
Certificated salaries	$418,745	$422,800	$367,280
Certificated benefits	$47,003	$45,500	$42,124
Uncertificated salaries and wages	$131,500	$149,680	$113,622
Uncertificated benefits	$22,417	$13,000	$14,601
Services, contracts and supplies	$280,833	$272,322	$236,672
Net school generated funds	$13,078	$27,000	$10,122
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$19,779	$0	$19,779
Total Amortization of capital assets	$19,779	$0	$19,779
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$18,638	$0	$23,290
Total interest on capital debt	$18,638	$0	$23,290
Other interest charges	$808	$0	$493
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$952,801	$930,302	$827,983
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($7,822)	$69	$2,233
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($7,822)	$69	$2,233

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 12

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($7,822)	$2,233
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$19,779	$19,779
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($15,454)	($12,551)
Prepaids and other current assets	$1,303	($131)
Payables and accrued liabilities	$9,323	($6,984)
Deferred revenue	$1,148	($2,591)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$8,277	($245)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	$0	$0
C. FINANCING ACTIVITIES		
Capital allocations received	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	($12,482)	($20,128)
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) from Financing activities	($12,482)	($20,128)
Net sources (uses) of cash equivalents* during year	($4,205)	($20,373)
Cash Equivalents at the beginning of the year	$33,895	$54,268
Cash Equivalents at the end of the year	$29,690	$33,895

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.
Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 12

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
					RESTRICTED NET ASSETS										
	TOTAL NET ASSETS (Columns 2+3+4)	**INVESTMENT IN CAPITAL ASSETS**	**UNRESTRICTED NET ASSETS**	**TOTAL RESTRICTED NET ASSETS** (Columns 5 to 15)	**School Based**		**Alberta Infrastructure**			**Board & System Admin.**		**Transportation**		**External Services**	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O&M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$134,475	$84,649	$49,826	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)															
Debt principal payments	$0	$20,128	($20,128)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$134,475	$104,777	$29,698	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expenses	($7,822)		($7,822)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$0	$0	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($19,779)	$19,779												
Amortization of capital allocations		$0	$0												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$12,482	($12,482)												
Net transfers to operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$126,653	$97,480	$29,173	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 12

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$0	$0
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$0	$0
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		$0	$0
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$0
Balance at August 31, 2003		$0	$0

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1. Authority and Purpose

The Society delivers education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The Society receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the Society, within specified limits, to reallocate funding between the instruction and support blocks.

2. Significant Accounting Policies

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

b) School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school because the accountability and control/ownership of these funds rests with school officials or their appointee(s).

c) Contributed Services

Volunteers assist the Charter School in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

d) Capital Assets

Capital assets are amortized commencing in the fiscal year following the year of acquisition on a straight line basis over the estimated useful life of the asset as follows

Buildings	25 years
Computer equipment	5 years
Musical equipment	10 years
Stage equipment	10 years

Only capital assets with cost in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

SUZUKI CHARTER SCHOOL SOCIETY

Notes to Financial Statements
August 31, 2003

2. Significant Accounting Policies (continued)

e) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. . Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

f) Measurement Uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

g) Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teacher Pension Plan Act, Suzuki Charter School Society does not make pension contributions for certificated staff.

3. Capital Assets

	Cost	Accumulated Amortization	Net Book Value 2003	Net Book Value 2002
Buildings	$ 107,469	$ 17,200	$ 90,269	$ 94,569
Equipment				
Computer equipment	$ 55,020	$ 44,016	$ 11,004	$ 22,008
Musical equipment	9,839	2,952	6,887	7,870
Stage equipment	34,906	6,982	27,924	31,416
Total equipment	$ 99,765	$ 53,950	$ 45,815	$ 61,294

4. Deferred Revenue

	2003	2002
Deferred revenue consists of the following:		
Alberta Learning	$4,343	$1,846
Alberta Infrastructure	5,301	-
Prepaid Registration	-	6,650
	$9,644	$8,496

5. Accounts Receivable

	2003	2002
Accounts receivable consists of the following:		
Province of Alberta	$25,392	$15,103
Federal Government	6,749	6,766
Other	11,024	5,842
	$43,165	$27,711

6. Long Term Debt

	2003	2002
26.04% capital lease, repayable in monthly installments of $2,550 including interest, maturing September 2003, secured by portable buildings with carrying value of $90,269	$ 38,605	$ 51,087
Less portion due within one year	38,605	12,482
	$ -	$ 38,605

7. Budget Amounts

The budget was prepared by the Charter School's management, with Board of Directors' approval given on June 20, 2002. It is presented for information purposes only and has not been audited.

8. Operations and Maintenance Program (Schedule F)

Suzuki Charter School Society leases premises from Edmonton Catholic Schools and two portable classrooms from AltaFab Structures Ltd.

The lease with Edmonton Catholic Schools includes preventative maintenance, custodial services, fire/security/safety systems, site and ground maintenance and utilities. The lease agreement is based on $8.00 per square foot and provides only an allocation of the costs for the custodial services as outlined. Further cost allocation was not available from Edmonton Catholic Schools. For purposes of these financial statements, total lease payments have been included in the category of Preventative Maintenance under the expenditures of contracted services net of $21,300 which was included in the category of Custodial under the expenditures of contracted services.

The portable classrooms are recorded in the financial statements as capital leases. The principal repayments are recorded on the balance sheet (Note 6). Amortization and interest payments are recorded on Schedule F in the category of Capital & Debt Services and Transfers. A portion of the surplus in Schedule F is due to the difference between amortization and principal repayment as follows:

Principal repayments	$ 12,482
Amortization	4,300
Surplus	$ 8,182

9. Economic Dependence

Suzuki Charter School Society's primary source of income is from the Alberta Government. The ability to continue viable operations is dependent on this funding.

10. Correction of Prior Period Error

These financial statements have been adjusted for the reclassification of debt principal repayments that were incorrectly recorded as Unrestricted Net Assets in prior year. Accordingly, opening Unrestricted Net Assets have been reduced by $20,128 and Investment in Capital Assets has been increased by $20,128 on the Statement of Changes in Net Assets.

11. Comparative Figures

Comparative figures have been reclassified where necessary to conform with current year presentation.

School Jurisdiction Code: 12

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$533,043	$37,128	$495,915						
(2) Support block	$83,508				$33,508			$50,000	
(3) Instruction & support block reallocations	$0	($1,250)	$3,628		$0			($2,378)	$0
(4) Alberta Initiative for School Improvement (AISI)	$12,225	$868	$11,257						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$22,995	$618	$22,137					$240	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$0	$0	$0	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$851,771	$37,464	$532,937	$0	$33,508			$47,862	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$0	$0	$0	$0					
(13) Operations & Maintenance support	$204,280			$204,280					
(14) Operations & Maintenance support (One-Time)	$0								
(15) **Total Alberta Infrastructure Revenue**	$204,280	$0	$0	$204,280					
(16) **Alberta Finance**	$0			$0	$0			$0	$0
(17) **Other - Government of Alberta**	$0	$0	$0	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$9,422	$1,200	$8,222						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$25,745	$0	$998	$0	$0			$0	$24,747
(25) **Investment income**	$304	$0	$304	$0	$0			$0	$0
(26) **Gifts and donations**	$700	$0	$700	$0	$0				$0
(27) **Rentals of facilities**	$39,679		$39,679	$0	$0			$0	$0
(28) **Net school generated funds**	$13,078		$13,078					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$0		$0	$0	$0				$0
(31) **TOTAL REVENUES**	$944,979	$38,664	$595,918	$204,280	$33,508			$47,862	$24,747
EXPENSES									
(32) **Certificated salaries**	$418,745	$29,757	$376,988				$12,000	$12,000	$0
(33) **Certificated benefits**	$47,003	$4,582	$41,649				$772	$772	$0
(34) **Uncertificated salaries and wages**	$131,500	$0	$67,383	$27,000	$0	$0	$18,000	$18,000	$19,117
(35) **Uncertificated benefits**	$22,417	$0	$15,822	$3,491	$0	$0	$2,327	$2,327	$777
(36) **SUB - TOTAL**	$619,665	$34,339	$501,842	$30,491	$0	$0	$33,099	$33,099	$19,894
(37) **Services, contracts & supplies**	$280,833	$4,325	$92,012	$128,364	$34,686	$0	$14,763	$14,763	$6,683
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$13,078		$13,078						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(41) Unsupported	$19,779	$0	$15,479	$4,300	$0	$0	$0	$0	$0
(42) Total Amortization	$19,779	$0	$15,479	$4,300	$0	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(44) Unsupported	$18,638	$0	$0	$18,638	$0	$0	$0	$0	$0
(45) Other interest charges	$808	$0	$808	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$952,801	$38,664	$623,219	$181,793	$34,686	$0	$47,862	$47,862	$26,577
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($7,822)	$0	($27,301)	$22,487	($1,178)			($0)	($1,830)
Applicable student numbers/FTE equivalent	110.0	18	101.0	110.0	83			110.0	
AVERAGE PROGRAM COSTS per student	$8,662	$2,148	$6,170	$1,653	$418			$435	

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$362,688	$13,800	$0	$0	$0	$500	$0	$376,988
Certificated benefits	$40,109	$1,518	$0	$0	$0	$22	$0	$41,649
Uncertificated salaries and wages	$39,063	$11,582	$0	$0	$15,015	$1,723	$0	$67,383
Uncertificated benefits	$10,008	$1,285	$0	$0	$4,353	$176	$0	$15,822
SUB - TOTAL REMUNERATION	$451,868	$28,185	$0	$0	$19,368	$2,421	$0	$501,842
Services, contracts & supplies	$37,641	$42,384	$0	$0	$1,800	$10,187	$0	$92,012
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$13,078							$13,078
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$15,479	$0	$0					$15,479
Total Amortization	$15,479	$0	$0					$15,479
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$808						$808
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$518,066	$71,377	$0	$0	$21,168	$12,608	$0	$623,219
FTE Certificated				0.0	0.0			
FTE Uncertificated				0.0	1.0			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$446,065	$33,394	$54,759	$3,628	$537,846	$443,449	$94,397
School Admin & Instruction Support Expenses						$71,377	($71,377)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$446,065	$33,394	$54,759	$3,628	$537,846	$514,826	$23,020
Sub-Programs & Initiatives							
Severely Disabled	$26,905		$0		$26,905	$21,168	$5,737
English as a Second Language	$6,317				$6,317	$7,844	($1,527)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$0				$0		$0
Growth & Density	$0				$0		$0
Teacher Assistants Program	$4,892				$4,892	$13,983	($9,091)
Early Literacy Initiative (K-2)	$8,825				$8,825	$14,305	($5,480)
Learning Resources Credit & Resources for the Classroom	$2,134	$0	$8,222		$10,356	$23,118	($12,762)
Technology Integration	$0		$0		$0	$0	$0
French Language Program & Francisation (all jurisdictions)	$777		$0		$777	$27,975	($27,198)
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$49,850		$8,222		$58,072	$108,393	($50,321)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$495,915	$33,394	$62,981	$3,628	$595,918	$623,219	($27,301)

School Jurisdiction Code: 12

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$37,128	$495,915		$33,508	$50,000	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$533,043* = *$10,661* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$2,378			($2,378)	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	($1,250)	$1,250				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($1,250)	$3,628		$0	($2,378)	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 12

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$533,043
Support Block - Transportation	$33,508
SUBTOTAL	$566,551

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$204,280
Teacher Salary Enhancement	$22,995
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$0
Federal government/First Nations	$0
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$25,745
Interest on investments	$304
Rentals of facilities	$39,679
Gains on disposal of capital assets	$0
Amortization of capital allocations	$0
School generated funds (Schedule E)	$237,530
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$1,097,084**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	$65,825

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	50,000	$65,825
If Francophone Board, enter 330,000	0	$0

(If none of these considerations apply, leave the above cells blank)

MAXIMUM EXPENSE LIMIT	**$65,825**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$47,862
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$47,862

Maximum Expense Limit for Board & System Administration (Step 3)	$65,825
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$17,963

School Jurisdiction Code: 12

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$88,789
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$237,530	
Less: SGF - related cost recoveries (Note 3)	$193,652	
- capitalized at the District level (Note 4)	$0	
Net Total	$43,878	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$43,878
Net SGF Available for discretionary spending		$132,667
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$13,078
Unexpended SGF - Closing Balance August 31, 2003		$119,589

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 12

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$27,000	$27,000		$27,000
Uncertificated benefits	$0	$0	$0	$0	$3,491	$3,491		$3,491
Sub-total Remuneration	$0	$0	$0	$0	$30,491	$30,491		$30,491
Contracted Services	$21,978	$92,300	$0	$0	$0	$114,278		$114,278
Supplies	$0	$9,912	$0	$0	$0	$9,912		$9,912
Electricity			$0			$0		$0
Natural Gas/Heating Fuel			$0			$0		$0
Sewer and Water			$0			$0		$0
Telecommunications			$4,174			$4,174		$4,174
Insurance					$0	$0		$0
Amortization of capital assets								
Supported							$0	$0
Unsupported						$4,300		$4,300
Total Amortization						$4,300	$0	$4,300
Interest on capital debt								
Supported							$0	$0
Unsupported						$18,638		$18,638
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$21,978	$102,212	$4,174	$0	$30,491	$181,793	$0	$181,793
SQUARE METRES								
School Buildings								1,728.9
Non School Buildings								0.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 12

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Lissa Bennell Davies	1.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Derek Aschenbrenner	1.0	$0	$0	$0	$0	$0	$0	$0
Name	Zoltan Berkes	1.0	$0	$0	$0	$0	$0	$0	$0
Name	Keith De Souza	1.0	$0	$0	$0	$0	$0	$0	$0
Name	David Onyschuk	1.0	$0	$0	$0	$0	$0	$0	$0
Name	Sandy Readman	1.0	$0	$0	$0	$0	$0	$0	$0
Name	Alison Schneider	1.0	$0	$0	$0	$0	$0	$0	$0
Name	Peter Zmewsky	1.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*8.0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*
Superintendent	Bruce McIntosh	1.0	$12,000	$772	$0	$0	$0	$12,772	$0
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Heather Christison - Lopes	1.0	$45,000	$5,818	$0	$0	$0	$50,818	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		8.6	$406,745	$46,231	$0	$0	$0	$452,976	
Uncertificated Salaries & Wages		4.7	$86,500	$16,599	$0	$0	$0	$103,099	
TOTALS			**$550,245**	**$69,420**	**$0**	**$0**	**$0**	**$619,665**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 12

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 109

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Westmount Charter School Society
Name of School Jurisdiction

2519 Richmond Road SW, Calgary, AB T3E 4M2
Mailing Address

Phone: 403/217-0426 Fax: 403/217-0252
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Westmount Charter School Society
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

T. D. Regehr	"Original signed by"
Name	Signature

SUPERINTENDENT

M. Kurtz	"Original signed by"
Name	Signature

SECRETARY TREASURER OR TREASURER

M. A. O'Hara	"Original signed by"
Name	Signature

19-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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LAWRENCE A. LIM
Chartered Accountant

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AUDITOR'S REPORT

To the Members of the Board
Westmount Charter School Society

I have audited the statement of financial position of the Westmount Charter School Society as at August 31, 2003 and the statements of revenue and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the Society's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating overall financial statement presentation.

In my opinion these financial statements present fairly, in all material respects, the financial position of the Society as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in the schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

November 17, 2003

Lawrence A. L

School Jurisdiction Code: 109

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$1,512,269	$643,155
Accounts receivable (net after allowances)		$175,286	$24,804
Prepaid expenses		$77,447	$58,576
Other current assets		$0	$0
Total current assets		$1,765,002	$726,535
School generated assets		$4,459	$1,004
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$0		
Less: accumulated amortization	$0	$0	$0
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$0	$0
TOTAL ASSETS		$1,769,461	$727,539
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$302,148	$186,893
Deferred revenue		$1,143,858	$205,814
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$1,446,006	$392,707
School generated liabilities		$4,459	$1,004
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$4,459	$1,004
TOTAL LIABILITIES		$1,450,465	$393,711
NET ASSETS			
Unrestricted net assets		$169,619	$218,828
Operating Reserves		$149,377	$115,000
Accumulated Operating Surplus (Deficit)		$318,996	$333,828
Investment in capital assets		$0	$0
Capital Reserves		$0	$0
Total Capital Funds		$0	$0
Total net assets		$318,996	$333,828
TOTAL LIABILITIES AND NET ASSETS		$1,769,461	$727,539

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 109

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$4,210,857	$4,021,737	$3,409,075
Alberta Infrastructure	$1,065,934	$1,280,817	$642,970
Alberta Finance	$0	$0	$0
Other Government of Alberta	$0	$0	$0
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$68,150	$0	$166,581
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$113,336	$95,000	$60,742
Transportation fees	$70,478	$180,050	$126,731
Other sales and services	$52,179	$0	$30,448
Investment income	$3,426	$5,000	$3,463
Gifts and donations	$178,361	$48,499	$59,038
Rentals of facilities	$2,500	$0	$2,500
Net school generated funds	$73,768	$0	$73,399
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$5,838,989	$5,631,103	$4,574,947
EXPENSES			
Certificated salaries	$2,800,900	$2,909,813	$2,173,493
Certificated benefits	$300,090	$120,646	$125,397
Uncertificated salaries and wages	$528,169	$438,491	$406,816
Uncertificated benefits	$88,776	$35,014	$30,161
Services, contracts and supplies	$2,059,396	$2,128,236	$1,720,893
Net school generated funds	$73,768	$0	$73,399
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Amortization of capital assets	$0	$0	$0
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total interest on capital debt	$0	$0	$0
Other interest charges	$2,720	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$5,853,820	$5,632,200	$4,530,159
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($14,832)	($1,097)	$44,788
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($14,832)	($1,097)	$44,788

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 109

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($14,832)	$44,788
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$0	$0
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($150,482)	($2,763)
Prepaids and other current assets	($18,871)	($6,529)
Payables and accrued liabilities	$115,255	$130,311
Deferred revenue	$938,044	$164,119
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$869,114	$329,926
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	$0	$0
C. FINANCING ACTIVITIES		
Capital allocations received	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$0	$0
Net sources (uses) of cash equivalents* during year	$869,114	$329,926
Cash Equivalents at the beginning of the year	$643,155	$313,229
Cash Equivalents at the end of the year	$1,512,269	$643,155

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 109

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS Columns 5 to 15	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$333,828	$0	$218,828	$115,000	$100,000	$0	$0	$0	$0	$0	$0	$15,000	$0	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$333,828	$0	$218,828	$115,000	$100,000	$0	$0	$0	$0	$0	$0	$15,000	$0	$0	$0
Surplus(def) of revenue over expenses	($14,832)		($14,832)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$0	$0	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		$0	$0												
Amortization of capital allocations		$0	$0												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers from operating reserves			($34,377)	$34,377	$19,377		$0			$0		$15,000		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$318,996	$0	$169,619	$149,377	$119,377	$0	$0	$0	$0	$0	$0	$30,000	$0	$0	$0

School Jurisdiction Code: 109

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)

for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$0	$0
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$0	$0
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		$0	$0
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$0
Balance at August 31, 2003		$0	$0

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

WESTMOUNT CHARTER SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED AUGUST 31, 2003

NOTE 1 - GENERAL

The ABC Charter Public School Society (the Society) was incorporated on August 9, 2000 under the laws of the Societies Act of Alberta. The Society's main purpose was to operate the ABC Charter Public School which had previously been operated as a division of the Action for Bright Children (Calgary Society). The Calgary Society was approved to open and operate a Charter School in Calgary which commenced operations August 1, 1996 and transferred the charter to the Society effective for the beginning of the 2000 - 2001 school year. On November 15, 2002, the Society changed its name to Westmount Charter School Society. These financial statements are presented to include the assets, liabilities and operations of Westmount Charter School from the commencement of operations in 1996.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

The School follows the deferral method of accounting for contributions.

Capital Assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. The School's policy is to capitalize only those individual capital assets with a cost in excess of $5,000 and amortize these assets over their useful lives. All other capital assets are charged to expense in the year incurred or contributed.

Revenue Recognition

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the year in which the restriction is complied with.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level.

Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Westmount Charter School Society does not make pension contributions for certificated staff.

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to year end, and are accordingly recorded as prepaid expenses.

Contributed Services

Volunteers contribute a considerable number of hours each year to assist the School in carrying out certain programs, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Financial Instruments

The Society's financial instruments consist of cash, short term investments, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Society has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Operating Reserves

Reserves are established at the discretion of the Board of Trustees to set aside funds for certain operating expenditures. Such reserves are appropriations of accumulated surplus.

Employee Future Benefits

The Society does not provide a future benefit plan to its employees and therefore no such obligations have been expensed or accrued in these financial statements.

NOTE 3 - SHORT TERM INVESTMENTS

Short term investments consists of variable rate guaranteed investment certificates as follows;

	August 31	
	2003	2002
Bank of Montreal variable rate GIC maturing August 19, 2004	$1,000,000	$ -
Bank of Montreal variable rate GIC maturing January 16, 2004	7,000	-
Bank of Montreal variable rate GIC maturing January 17, 2003	-	130,470
	$1,007,000	$ 130,470

NOTE 4 - ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

	August 31	
	2003	2002
Province of Alberta	$ 134,785	$ 98
GST recoverable from Federal Government	25,809	18,385
Other	14,692	6,321
	$ 175,286	$ 24,804

NOTE 5 - CAPITAL ASSETS

During the year, the Society purchased furniture and computer equipment in the amount of $58,293 (2002 - $89,477) which, in accordance with its capital asset policy in Note 1, has been charged to expense.

During the year, the Society received donated furniture and computer equipment with an estimated fair value of $22,505 (2002 - $23,668) which, in accordance with its capital asset policy in Note 1, has been charged to expense.

At the end of the year, the Society purchased furniture and equipment in anticipation of the school expansion in 2003 - 2004. These expenses have been included in prepaid expenses to match the expenditures with the funding to be received by Alberta Infrastructure for this purpose.

NOTE 6 - ACCOUNTS PAYABLE

Accounts payable consists of the following:

	August 31	
	2003	2002
Other Alberta School Jurisdictions	$ 99,443	$ 52,367
Other trade payables and accrued liabilities	202,705	134,526
	$ 302,148	$ 186,893

NOTE 7 - DEFERRED REVENUE

Deferred revenue consists of the following:

	August 31	
	2003	2002
Prepaid lease support and furniture and equipment	$1,088,570	$ 139,500
Prepaid student fees	36,110	38,630
LRC and RCF credits	11,551	-
Restricted donations	3,865	7,177
One time grant (2003)	3,762	-
One time grant (2002)	-	15,172
One time grant (1999)	-	5,335
	$1,143,858	$ 205,814

The School received a one time grant in the amount of $3,762 in 2003 from the Government of Alberta which is to be used for specific programs in the 2003 - 2004 school year. This restricted amount is recorded as deferred revenue in 2003 and will be matched to the specific program expenditures in 2003 - 2004.

The School received a one time grant in the amount of $15,172 in 2002 from the Government of Alberta which was to be used for specific programs in the 2002 - 2003 school year. This restricted amount was recorded as deferred revenue in 2002 and was matched to the specific program expenditures in 2002 - 2003.

The School also received a one time grant from the Government of Alberta, which was included in the 1999 financial statements, in the amount of $85,400 which was first to be used to eliminate any accumulated deficit and then used for one time priority items such as capital investment. The School had designated usage of these funds to include the purchase of computer equipment, funding the lease payments relating to the telephone system and certain future operating costs. These restricted amounts were recorded as deferred revenue and have been recognized as revenue in the amount of $5,335 (2002 - $10,611) as the funds were expended.

The Society received cash during the year in the amount of $3,865 which had specific terms of usage and has been recorded as a restricted donation. These funds have been deferred and will be recognized as revenue when the funds are spent on their designated purpose.

NOTE 8 - LEASE COMMITMENTS

The Society has a lease with The Calgary Board of Education for its premises which expires on July 31, 2006 and has estimated scheduled minimum rent payments of $1,058,030 per annum.

The Society also has lease commitments relating to various office equipment with expiry dates to 2005 and has scheduled lease payments of $33,800 per annum.

NOTE 9 - LEASING COSTS

The School moved into new premises effective August 1, 2001 and signed a 5 year lease with The Calgary Board of Education as described in note 6. The funding received from Alberta Learning for lease support is based on a similar formula as the lease, but is calculated and paid over the school year (September to August) instead of the lease year (August to July). As the lease was not signed until well into the 2001 - 2002 school year, no amount of rent from this lease for August, 2001 ($25,935) was included in the 2000 - 2001 financial statements, and the extra month was included in the 2001 - 2002 financial statements. Due to the ongoing growth at the school, the rent charges increase each August to account for the additional space occupied by the school, while the funding increases in September, which increases the differential between the amounts paid for rent and the funding received for lease costs. The differential as at August 31, 2003 of $88,169 (2002 - $57,907) has not been recorded in these financial statements as this timing difference is expected to continue indefinitely.

The School was also entitled to receive a one time grant of $22,990 to be applied towards the plant operations and maintenance of the school for 2002 - 2003 or 2003 - 2004. This grant has been applied, under instruction from the Calgary Board of Education, to the 2002- 2003 school year.

NOTE 10 - INTERNALLY RESTRICTED NET ASSETS

Subsequent to year end, the Board approved a motion to carry forward the 2003 transportation surplus of $15,000 (for an accumulated total of $30,000) as a reserve against future transportation costs. Also, the Board approved the creation of a scholarship fund from the net proceeds of the Summerstock production in 2003 in the amount of $19,377. In 2002, the Board approved the transfer from accumulated operating surplus' of $100,000 to be used as a reserve against the future costs of expansion of the school and to carry forward the 2002 transportation surplus of $15,000 as a reserve against future transportation costs..

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 109

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin	
Alberta Learning allocations									
(1) Instruction block	$3,482,719	$81,605	$3,381,114						
(2) Support block	$541,580				$295,131			$246,449	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$70,223	$1,798	$68,425						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$131,000	$3,354	$127,646					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$5,335	$0	$5,335	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$4,210,857	$86,757	$3,582,520	$0	$295,131			$246,449	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$145,000	$0	$0	$145,000					
(13) Operations & Maintenance support	$897,944			$897,944					
(14) Operations & Maintenance support (One-Time)	$22,990			$22,990					
(15) **Total Alberta Infrastructure Revenue**	$1,065,934	$0	$0	$1,065,934					
(16) **Alberta Finance**	$0			$0	$0			$0	$0
(17) **Other - Government of Alberta**	$0	$0	$0	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$68,150	$0	$62,147	$0	$0			$6,003	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$113,336	$3,600	$109,736						
(23) **Transportation fees**	$70,478				$70,478				
(24) **Other sales and services**	$52,179	$0	$52,179	$0	$0			$0	$0
(25) **Investment income**	$3,426	$0	$0	$0	$0			$3,426	$0
(26) **Gifts and donations**	$178,361	$0	$178,361	$0	$0				$0
(27) **Rentals of facilities**	$2,500		$0	$0	$0			$2,500	$0
(28) **Net school generated funds**	$73,768		$73,768					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$0		$0	$0	$0				$0
(31) **TOTAL REVENUES**	$5,838,989	$90,357	$4,058,712	$1,065,934	$365,609			$258,378	$0
EXPENSES									
(32) **Certificated salaries**	$2,800,900	$63,178	$2,668,449				$69,273	$69,273	$0
(33) **Certificated benefits**	$300,090	$5,046	$295,044				$0	$0	$0
(34) **Uncertificated salaries and wages**	$528,169	$0	$365,094	$0	$26,295	$0	$136,780	$136,780	$0
(35) **Uncertificated benefits**	$88,776	$0	$66,081	$0	$1,962	$0	$20,734	$20,734	$0
(36) **SUB - TOTAL**	$3,717,935	$68,223	$3,394,669	$0	$28,257	$0	$226,787	$226,787	$0
(37) **Services, contracts & supplies**	$2,059,396	$22,134	$532,027	$1,154,012	$322,352	$3,846	$25,024	$28,871	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$73,768		$73,768						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(41) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(42) Total Amortization	$0	$0	$0	$0	$0	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$2,720	$0	$0	$0	$0		$2,720	$2,720	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$5,853,820	$90,357	$4,000,464	$1,154,012	$350,609	$3,846	$254,531	$258,378	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($14,832)	$0	$58,247	($88,079)	$15,000			$0	$0
Applicable student numbers/FTE equivalent	713.0	38	695.0	713.0	681			713.0	
AVERAGE PROGRAM COSTS per student	$8,210	$2,510	$5,756	$1,619	$515			$362	

School Jurisdiction Code: 109

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
	INSTRUCTION (Grades 1 to 12)							
Certificated salaries	$2,437,605	$9,822	$0	$196,403	$0	$24,620	$0	$2,668,449
Certificated benefits	$270,178	$815	$0	$21,769	$0	$2,282	$0	$295,044
Uncertificated salaries and wages	$85,365	$184,058	$0	$6,878	$86,569	$2,225	$0	$365,094
Uncertificated benefits	$22,634	$27,880	$0	$1,824	$13,469	$275	$0	$66,081
SUB - TOTAL REMUNERATION	$2,815,781	$222,574	$0	$226,874	$100,037	$29,402	$0	$3,394,669
Services, contracts & supplies	$421,796	$33,012	$0	$36,399	$0	$40,821	$0	$532,027
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$73,768							$73,768
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$0	$0	$0					$0
Total Amortization	$0	$0	$0					$0
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$3,311,345	$255,586	$0	$263,273	$100,037	$70,223	$0	$4,000,464
FTE Certificated				3.0	0.0			
FTE Uncertificated				0.0	4.0			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$3,122,750	$201,406	$366,456	$0	$3,690,611	$3,419,962	$270,649
School Admin & Instruction Support Expenses						$255,586	($255,586)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$3,122,750	$201,406	$366,456	$0	$3,690,611	$3,675,548	$15,063
Sub-Programs & Initiatives							
Severely Disabled	$100,037		$0		$100,037	$100,037	$0
English as a Second Language	$0				$0	$0	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$0				$0		$0
Growth & Density	$61,883				$61,883		$61,883
Teacher Assistants Program	$20,811				$20,811	$20,811	($0)
Early Literacy Initiative (K-2)	$37,848				$37,848	$37,848	($0)
Learning Resources Credit & Resources for the Classroom	$7,259	$0	$109,736		$116,996	$135,694	($18,699)
Technology Integration	$29,885		$0		$29,885	$29,885	$0
French Language Program & Francisation (all jurisdictions)	$641		$0		$641	$641	$0
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$258,364		$109,736		$368,101	$324,916	$43,184
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$3,381,114	$201,406	$476,192	$0	$4,058,712	$4,000,464	$58,247

School Jurisdiction Code: 109

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$81,605	$3,381,114		$295,131	$246,449	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$3,462,719* *=* *$69,254* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 109

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$3,432,834
Support Block - Transportation	$295,131
SUBTOTAL	$3,727,965

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$897,944
Teacher Salary Enhancement	$131,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$0
Federal government/First Nations	$0
Other Alberta school authorities	$68,150
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$52,179
Interest on investments	$3,426
Rentals of facilities	$2,500
Gains on disposal of capital assets	$0
Amortization of capital allocations	$0
School generated funds (Schedule E)	$77,223
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$4,960,386**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o = 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$297,623

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	50,000	$297,623
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$297,623**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$258,378
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$258,378
Maximum Expense Limit for Board & System Administration (Step 3)	$297,623
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$39,246

School Jurisdiction Code: 109

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$1,004
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$77,223	
Less: SGF - related cost recoveries (Note 3)	$0	
- capitalized at the District level (Note 4)	$0	
Net Total	$77,223	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$77,223
Net SGF Available for discretionary spending		$78,227
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$73,768
Unexpended SGF - Closing Balance August 31, 2003		$4,459

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 109

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$94,806	$782,029	$132,177	$0	$0	$1,009,012		$1,009,012
Supplies	$0	$0	$0	$145,000	$0	$145,000		$145,000
Electricity			$0			$0		$0
Natural Gas/Heating Fuel			$0			$0		$0
Sewer and Water			$0			$0		$0
Telecommunications			$0			$0		$0
Insurance					$0	$0		$0
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$94,806	$782,029	$132,177	$145,000	$0	$1,154,012	$0	$1,154,012
SQUARE METRES								
School Buildings								6,458.0
Non School Buildings								0.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 109

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	T. D. Regehr	1.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	L. Maslechko	1.0	$0	$0	$0	$0	$0	$0	$0
Name	P. Russel	1.0	$0	$0	$0	$0	$0	$0	$0
Name	A. Saruga Dom	1.0	$0	$0	$0	$0	$0	$0	$0
Name	B. Pachkowski	1.0	$0	$0	$0	$0	$0	$0	$0
Name	H. Duggan	0.5	$0	$0	$0	$0	$0	$0	$0
Name	K. Fung	1.0	$0	$0	$0	$0	$0	$0	$0
Name	B. Gladstone	1.0	$0	$0	$0	$0	$0	$0	$0
Name	C. Perry	1.0	$0	$0	$0	$0	$0	$0	$0
Name	K. Sundberg	1.0	$0	$0	$0	$0	$0	$0	$0
Name	A. Gray	0.5	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*10.0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*
Superintendent	M. Kurtz	1.0	$69,273	$0	$0	$0	$0	$69,273	$1,081
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	M. A. O'Hara	1.0	$57,494	$7,682	$0	$0	$0	$65,176	$492
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		45.1	$2,731,627	$300,090	$0	$0	$0	$3,031,717	
Uncertificated Salaries & Wages		16.0	$470,675	$81,094	$0	$0	$0	$551,769	
TOTALS			$3,329,069	$388,866	$0	$0	$0	$3,717,935	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 109

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 56

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Westwind School Division No. 74
Name of School Jurisdiction

PO Box 10 Cardston, AB T0K 0K0
Mailing Address

Telephone: (403)653-4991 Fax: (403)653-4641
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Westwind School Division No. 74
(Name of School Jurisdiction)

presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mr. Barry Webster — "Original Signed By"
Name — **Signature**

SUPERINTENDENT

Dr. Leroy Walker — "Original Signed By"
Name — **Signature**

SECRETARY TREASURER OR TREASURER

Mr. Dexter R. Durfey — "Original Signed By"
Name — **Signature**

11-Dec-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 56

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Young Parkyn McNab LLP
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Board of Trustees
Westwind School Division #74

We have audited the statement of financial position of the Westwind School Division #74 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School Division as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Young Parkyn McNab LLP

Lethbridge, Alberta

November 18, 2003

Chartered Accountants

School Jurisdiction Code: 56

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$3,395,634	$7,631,630
Accounts receivable (net after allowances)		$1,882,154	$1,285,180
Prepaid expenses		$43,805	$71,078
Other current assets		$0	$0
Total current assets		$5,321,593	$8,987,888
School generated assets		$564,382	$664,172
Trust assets		$591,563	$383,783
Long term accounts receivable		$0	$0
Capital assets			
Land		$470,109	$470,109
Buildings	$38,719,307	$22,668,313	$20,333,986
Less: accumulated amortization	($16,050,994)		
Equipment	$844,767	$355,693	$196,541
Less: accumulated amortization	($489,074)		
Vehicles	$1,927,853	$855,956	$840,815
Less: accumulated amortization	($1,071,897)		
Total capital assets		$24,350,071	$21,841,451
TOTAL ASSETS		$30,827,608	$31,877,294
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,222,479	$2,097,860
Deferred revenue		$471,925	$1,192,038
Deferred capital allocations		($0)	$2,322,018
Current portion of all long term debt		$765,067	$785,257
Total current liabilities		$3,459,471	$6,397,173
School generated liabilities		$564,382	$664,172
Trust liabilities		$591,563	$383,783
Employee future benefits liability		$114,967	$109,909
Long term debt			
Supported: Debentures and other supported debt		$6,840,524	$7,611,590
Less: Current portion of supported debt		($765,067)	($771,067)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$14,190
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	($14,190)
Unamortized capital allocations		$14,971,975	$11,945,048
Total long term liabilities		$22,318,343	$19,943,435
TOTAL LIABILITIES		$25,777,814	$26,340,608
NET ASSETS			
Unrestricted net assets		$820,389	$929,279
Operating Reserves		$1,051,932	$1,754,783
Accumulated Operating Surplus (Deficit)		$1,872,321	$2,684,062
Investment in capital assets		$2,537,574	$2,270,624
Capital Reserves		$639,900	$582,000
Total Capital Funds		$3,177,474	$2,852,624
Total net assets		$5,049,794	$5,536,686
TOTAL LIABILITIES AND NET ASSETS		$30,827,608	$31,877,294

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 56

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$23,412,872	$23,118,381	$24,036,978
Alberta Infrastructure	$3,274,812	$2,576,687	$1,381,305
Alberta Finance	$781,622	$1,193,387	$867,929
Other Government of Alberta	$41,539	$47,000	$53,000
Federal Government and/or First Nations	$3,734,778	$3,304,425	$3,570,570
Other Alberta school authorities	$50,600	$0	$0
Out of province authorities	$108,780	$0	$37,480
Alberta Municipalities (excluding supplementary requisitions)	$161,854	$104,808	$106,216
Instruction resource fees	$323,115	$188,720	$308,694
Transportation fees	$0	$0	$0
Other sales and services	$215,097	$65,000	$358,793
Investment income	$214,112	$125,001	$192,190
Gifts and donations	$15,915	$0	$5,782
Rentals of facilities	$400	$5,000	$400
Net school generated funds	$648,896	$700,000	$374,594
Gains on disposal of capital assets	$19,700	$0	$1,162
Amortization of capital allocations	$796,431	$700,000	$796,431
Total Revenues	$33,800,525	$32,128,409	$32,091,524
EXPENSES			
Certificated salaries	$17,418,753	$16,417,007	$16,611,352
Certificated benefits	$1,726,560	$1,806,227	$1,686,572
Uncertificated salaries and wages	$5,604,113	$5,190,340	$5,182,150
Uncertificated benefits	$1,380,378	$1,090,387	$1,169,764
Services, contracts and supplies	$5,663,591	$4,795,327	$5,754,713
Net school generated funds	$648,896	$700,000	$374,594
Capital and debt services			
Amortization of capital assets			
Supported	$796,431	$700,000	$796,432
Unsupported	$255,931	$235,234	$275,204
Total Amortization of capital assets	$1,052,362	$935,234	$1,071,636
Interest on capital debt			
Supported	$781,622	$1,193,387	$862,129
Unsupported	$0	$0	$0
Total Interest on capital debt	$781,622	$1,193,387	$862,129
Other interest charges	$11,140	$0	$10,685
Losses on disposal of capital assets	$0	$0	$24,689
Total Expenses	$34,287,416	$32,128,409	$32,748,284
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($486,892)	$0	($656,760)
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($486,892)	$0	($656,760)

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 56

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($486,892)	($656,760)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($796,431)	($796,431)
Total amortization expense	$1,052,362	$1,071,636
Gains on disposal of capital assets	($19,700)	($1,162)
Losses on sale of capital assets	$0	$24,689
Changes in accrued accounts:		
Accounts receivable	($596,974)	$703,988
Prepaids and other current assets	$27,273	($7,710)
Payables and accrued liabilities	$124,619	$237,549
Deferred revenue	($720,113)	$210,679
Employee future benefit expense (recovery)	$5,058	$13,245
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,410,797)	$799,723
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	($55,745)
Buildings	($3,162,343)	($5,359,967)
Equipment	($212,697)	($119,980)
Vehicles	($185,942)	($226,080)
Net proceeds from disposal of capital assets	$19,700	$3,500
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($3,541,282)	($5,758,272)
C. FINANCING ACTIVITIES		
Capital allocations received	$730,273	$4,201,992
Issue of long term debt	$0	$0
Repayment of long term debt	($785,256)	($793,548)
Add back: supported portion	$771,067	$775,431
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$716,083	$4,183,875
Net sources (uses) of cash equivalents* during year	($4,235,996)	($774,674)
Cash Equivalents at the beginning of the year	$7,631,630	$8,406,304
Cash Equivalents at the end of the year	$3,395,634	$7,631,630

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.
Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 56

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
					RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O&M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$5,536,655	$2,270,593	$929,279	$2,336,783	$1,023,047	($26,349)	$345,210	$0	$299,860	$229,809	$304,989	$137,864	$3,500	$18,653	$0
Prior period adjustments (describe)															
Adjust Prior Period Accum. Amort.	$31	$31	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$5,536,686	$2,270,624	$929,279	$2,336,783	$1,023,047	($26,349)	$345,210	$0	$299,860	$229,809	$304,989	$137,864	$3,500	$18,653	$0
Surplus(def) of revenue over expenses	($486,892)		($486,892)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$522,881	$290,799	($813,680)	($130,577)	($9,951)	$0		($53,679)	($113,827)	($304,989)	($100,101)	($100,556)	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,052,362)	$1,052,362												
Amortization of capital allocations		$796,431	($796,431)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($262,291)	$262,291	$122,083		$0			$6,463		$133,745		$0	
Net transfers from operating reserves			$620,637	($620,637)	($253,605)		($197,334)			($93,319)		($75,000)		($1,379)	
Net transfers to capital reserves			($527,075)	$527,075		$316,693			$55,210		$26,183		$128,988		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$5,049,794	$2,537,574	$820,389	$1,691,832	$760,948	$280,393	$147,876	$0	$301,391	$29,126	$26,183	$96,508	$31,932	$17,474	$0

School Jurisdiction Code: 56

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$2,322,018	$11,945,048
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$2,322,018	$11,945,048
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$23,225	
	Other Government of Alberta	$520,217	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$46,830	
Other capital grants and donations		$75,000	
Proceeds on disposal of supported capital assets		$65,000	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$771,067
Expended capital allocations - current year		($3,052,291)	$3,052,291
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$796,431
Balance at August 31, 2003		($0)	$14,971,975

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1. Authority and purpose

The School Jurisdiction delivers education programs under the authority of the *School Act*, Chapter S - 3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles with the significant accounting policies being as follows:

Revenue recognition
Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

Temporary investments
Temporary Investments are valued at cost. Accrued interest on these investments is recorded as it is earned.

Capital assets
Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided for on a straight line basis over the assets' estimated useful lives using the following annual rates:

Equipment	5 years
Vehicles	10 years
Building	40 years
Building and additions	25 years

There is no amortization charged in the year of acquisition.

School generated funds
Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the School Division when the accountability and control of these funds rests with School Division officials or their appointees.

2. Summary of significant accounting policies (continued)

Pension obligation

Pension expense includes pension obligations earned by uncertificated employees during the year, amortization of deferred adjustment over the expected average remaining service life of employees, and the effect of changes in the rate used to allocate the unfunded liability to participating entities.

Contributed services

Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty in determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Measurement uncertainty

The financial statements by their nature, contain estimates and are subject to measurement uncertainty. The amounts recorded for amortization of capital assets are based on estimates of the useful life of the related assets. Pension plan obligations are based on actuarial valuations extrapolated to the reporting date. The effect on the financial statements of changes in such estimates in future periods could be significant.

3. Temporary investments

Temporary investments consists of a 4.00% redeemable term investment with TD Canada Trust in the amount of $1,137,099 and an investment portfolio at RBC Investment Management Inc. with a cost of $882,755 and a market value of $930,169.

4. Trust assets and liabilities

These balances represent cash that is held in trust by the jurisdiction for the following areas:

	2003	2002
Scholarship Trusts	$ 193,989	$ 159,230
Student Health Initiative Trust (Banker Board)	397,574	224,553
	$ 591,563	$ 383,783

5. Deferred revenue

	2003	2002
Block/BQRP funding	$ 401,124	$ 919,103
One Time Grant Funding 1999	-	114,032
One Time Funding 2002-03	-	77,911
Other	70,801	80,992
	$ 471,925	$ 1,192,038

6. Incentive pay

Incentive pay accrued to August 31, 2003 has been calculated at $114,967. This is the total accrual earned to August 31, 2003 and it is estimated that of this amount, approximately $5,058 has been accrued in the 2003 year and the balance has been accrued in prior years.

7. Long-term debt

The Division has various debentures payable to Alberta Municipal Financing Corporation relating to the acquisition of capital assets bearing interest at rates ranging from 6.875% to 12.0%. Principal payments in each of the next five years are estimated as follows:

2004	$	765,067
2005		730,104
2006		730,104
2007		730,104
2008		730,104

8. Economic dependence on related third party

The Westwind School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

9. Budget amounts

The budget was prepared by the School jurisdiction management with Board of Trustees approval given on June 19, 2003. It is presented for information purposes only, and has not been audited.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin.	External Services
Alberta Learning allocations									
(1) Instruction block	$19,009,402	$1,275,983	$17,733,420						
(2) Support block	$2,510,376				$1,377,782			$1,132,594	
(3) Instruction & support block reallocations	$0	($100,000)	$175,000		($75,000)			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$524,997	$0	$524,997						
(5) Student Health Initiative (SHI)	$174,217	$0	$174,217						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,004,000	$20,535	$965,723					$17,741	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$189,879	$0	$189,879	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$23,412,872	$1,196,518	$19,763,237	$0	$1,302,782			$1,150,335	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$682,421	$0	$0	$682,421					
(13) Operations & Maintenance support	$2,379,577			$2,379,577					
(14) Operations & Maintenance support (One-Time)	$212,814			$212,814					
(15) **Total Alberta Infrastructure Revenue**	$3,274,812	$0	$0	$3,274,812					
(16) **Alberta Finance**	$781,622			$781,622	$0			$0	$0
(17) **Other - Government of Alberta**	$41,539	$0	$0	$5,800	$0			$0	$35,739
(18) **Federal Government and/or First Nations**	$3,734,778	$126,582	$3,204,206	$216,000	$0			$187,990	$0
(19) **Other Alberta school authorities**	$50,600	$0	$50,600	$0	$0			$0	$0
(20) **Out of province authorities**	$108,780	$0	$108,780	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$161,854	$0	$161,854	$0	$0			$0	$0
(22) **Instruction resource fees**	$323,115	$0	$323,115						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$215,097	$0	$16,621	$9,260	$59,207			$114,554	$15,455
(25) **Investment income**	$214,112	$0	$172,972	$20,000	$0			$21,140	$0
(26) **Gifts and donations**	$15,915	$0	$15,915	$0	$0				$0
(27) **Rentals of facilities**	$400		$0	$400	$0			$0	$0
(28) **Net school generated funds**	$648,896		$648,896					$0	
(29) **Gains on disposal of capital assets**	$19,700		$0	$18,200	$1,500			$0	$0
(30) **Amortization of capital allocations**	$796,431		$0	$796,431	$0				$0
(31) **TOTAL REVENUES**	$33,800,525	$1,323,100	$24,466,197	$5,122,525	$1,363,489			$1,474,019	$51,194
EXPENSES									
(32) **Certificated salaries**	$17,418,753	$413,102	$16,673,319				$332,242	$332,242	$0
(33) **Certificated benefits**	$1,726,580	$40,561	$1,662,214				$23,785	$23,785	$0
(34) **Uncertificated salaries and wages**	$5,604,113	$437,768	$3,051,239	$1,310,170	$352,995	$65,130	$343,180	$408,310	$43,631
(35) **Uncertificated benefits**	$1,380,378	$152,768	$784,077	$334,716	$35,193	$4,281	$62,037	$66,318	$7,306
(36) **SUB - TOTAL**	$26,129,805	$1,044,291	$22,170,849	$1,644,885	$388,188	$69,411	$761,244	$830,655	$50,938
(37) **Services, contracts & supplies**	$5,663,591	$153,629	$1,968,598	$2,063,262	$785,568	$46,021	$646,877	$692,897	$1,636
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$648,896		$648,896						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$796,431	$0	$0	$796,431	$0		$0	$0	$0
(41) Unsupported	$255,931	$0	$58,638	$33,659	$130,988	$0	$32,646	$32,646	$0
(42) Total Amortization	$1,052,362	$0	$58,638	$830,090	$130,988	$0	$32,646	$32,646	$0
Interest on capital debt									
(43) Supported	$781,622	$0	$0	$781,622	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$11,140	$0	$0	$0	$0		$11,140	$11,140	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$34,287,416	$1,197,920	$24,844,982	$5,319,859	$1,304,744	$115,432	$1,451,906	$1,567,338	$52,574
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($486,892)	$125,180	($378,785)	($197,334)	$58,745			($93,319)	($1,379)
Applicable student numbers/FTE equivalent	4,029.5	321	3,869.0	4,005.5	977			4,029.5	
AVERAGE PROGRAM COSTS per student	$8,509	$3,732	$6,422	$1,328	$1,335			$389	

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$15,086,989	$964,195	$188,193	$0	$0	$433,943	$0	$16,673,319
Certificated benefits	$1,507,305	$86,094	$14,689	$0	$0	$54,125	$0	$1,662,214
Uncertificated salaries and wages	$691,611	$457,769	$0	$309,775	$1,433,839	$37,483	$120,763	$3,051,239
Uncertificated benefits	$188,360	$97,740	$0	$51,769	$384,361	$8,393	$53,454	$784,077
SUB - TOTAL REMUNERATION	$17,474,266	$1,605,797	$202,882	$361,544	$1,818,200	$533,944	$174,217	$22,170,849
Services, contracts & supplies	$1,830,032	$43,191	$71,356	$4,735	$144	$17,141	$0	$1,966,598
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$648,896							$648,896
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$58,638	$0	$0					$58,638
Total Amortization	$58,638	$0	$0					$58,638
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$20,011,831	$1,648,988	$274,238	$366,279	$1,818,344	$551,085	$174,217	$24,844,982
FTE Certificated				0.0	0.0			
FTE Uncertificated				17.2	79.1			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$15,393,366	$1,802,054	$4,379,845	$175,000	$21,750,265	$20,053,361	$1,696,904
School Admin & Instruction Support Expenses						$1,648,988	($1,648,988)
System Instruction Support Expenses						$274,238	($274,238)
Total Basic Instruction	$15,393,366	$1,802,054	$4,379,845	$175,000	$21,750,265	$21,976,587	($226,322)
Sub-Programs & Initiatives							
Severely Disabled	$1,318,692		$0		$1,318,692	$1,818,344	($499,652)
English as a Second Language	$216,954				$216,954	$235,700	($18,745)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$106,217		$0		$106,217	$153,903	($47,686)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$289,301				$289,301		$289,301
Growth & Density	$16,164				$16,164		$16,164
Teacher Assistants Program	$71,578				$71,578	$126,353	($54,775)
Early Literacy Initiative (K-2)	$140,058				$140,058	$168,116	($28,058)
Learning Resources Credit & Resources for the Classroom	$28,148	$52,763	$323,115		$404,026	$0	$404,026
Technology Integration	$146,114		$0		$146,114	$354,979	($208,865)
French Language Program & Francisation (all jurisdictions)	$2,344		$0		$2,344	$4,500	($2,156)
Home Education	$4,484		$0		$4,484	$6,500	($2,016)
Total Sub-Programs & Initiatives	$2,340,054		$323,115		$2,715,932	$2,868,394	($152,462)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$17,733,420	$1,854,817	$4,702,960	$175,000	$24,466,197	$24,844,982	($378,785)

School Jurisdiction Code: 56

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,275,983	$17,733,420		$1,377,782	$1,132,594	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of ***$19,009,402*** ***=*** ***$380,188*** ***$0***						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$75,000		($75,000)		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)		$0				
(2) ECS to: Instruction	($100,000)	$100,000				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($100,000)	$175,000		($75,000)	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 56

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$18,863,288
Support Block - Transportation	$1,377,782
SUBTOTAL	$20,241,071
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,379,577
Teacher Salary Enhancement	$1,004,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$41,539
Federal government/First Nations	$3,734,778
Other Alberta school authorities	$50,600
Out of province local authorities	$108,780
Alberta municipalities	$161,854
Other sales and services	$215,097
Interest on investments	$214,112
Rentals of facilities	$400
Gains on disposal of capital assets	$19,700
Amortization of capital allocations	$796,431
School generated funds (Schedule E)	$1,213,278
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$30,181,217**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**5.03%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,519,172
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,519,172**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,567,338
PLUS: transfers to Restricted - Operating (Board/System Administration)	$6,463
LESS: transfers from Restricted - Operating (Board/System Administration)	-$93,319
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,480,482
Maximum Expense Limit for Board & System Administration (Step 3)	$1,519,172
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$38,690

School Jurisdiction Code: 56

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$664,172
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,213,278	
Less: SGF - related cost recoveries (Note 3)	$664,172	
- capitalized at the District level (Note 4)	$0	
Net Total	$549,106	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$549,106
Net SGF Available for discretionary spending		$1,213,278
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$648,896
Unexpended SGF - Closing Balance August 31, 2003		$564,382

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 56

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$826,403	$373,152	$0	$44,615	$66,000	$1,310,170		$1,310,170
Uncertificated benefits	$224,202	$86,577	$0	$12,584	$11,353	$334,716		$334,716
Sub-total Remuneration	$1,050,604	$459,729	$0	$57,199	$77,353	$1,644,885		$1,644,885
Contracted Services	$0	$0	$0	$0	$0	$0		$0
Supplies	$133,484	$305,052	$0	$625,222	$0	$1,063,759		$1,063,759
Electricity			$560,591			$560,591		$560,591
Natural Gas/Heating Fuel			$358,563			$358,563		$358,563
Sewer and Water			$5,368			$5,368		$5,368
Telecommunications			$10,029			$10,029		$10,029
Insurance					$64,952	$64,952		$64,952
Amortization of capital assets								
Supported							$796,431	$796,431
Unsupported						$33,659		$33,659
Total Amortization						$33,659	$796,431	$830,090
Interest on capital debt								
Supported							$781,622	$781,622
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,184,089	$764,781	$934,551	$682,421	$142,305	$3,741,806	$1,578,053	$5,319,859
SQUARE METRES								
School Buildings								52,776.0
Non School Buildings								2,050.0

Notes:

Custodial: All expenses related to activities undertaken to keep the school environment clean and safe.

Maintenance: All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.

Utilities & Telecommunications: All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

Expensed Block Mod/BQRP & Portable Relocations: All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.

Facility Planning & Operations Maintenance: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 56

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Barry Webster	1.0	$8,030	$360	$2,677	$0	$0	$11,067	$3,155
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Anna-Joyce Fox	1.0	$5,087	$358	$2,543	$0	$0	$7,988	$2,735
Name	Ron Fromm	1.0	$5,533	$357	$2,767	$0	$0	$8,657	$4,844
Name	Stephen Heggie	1.0	$4,233	$724	$2,117	$0	$0	$7,074	$3,945
Name	Calvin Salmon	1.0	$4,227	$296	$2,113	$0	$0	$6,636	$2,570
Name	Rick Schow	1.0	$4,100	$216	$2,050	$0	$0	$6,366	$2,764
Name	Peter Scott	1.0	$6,393	$916	$3,197	$0	$0	$10,506	$5,789
Name	Jeff Tanner	1.0	$3,440	$905	$1,720	$0	$0	$6,065	$4,375
Name	Warren Wilde	1.0	$5,053	$104	$2,527	$0	$0	$7,684	$3,084
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*9.0*	*$46,097*	*$4,236*	*$21,710*	*$0*	*$0*	*$72,043*	*$33,261*
Superintendent	Dr. Mel Cottle	0.5	$60,000	$3,568	$0	$0	$50,000	$113,568	$5,334
Superintendent	Dr. Leroy Walker	0.5	$55,000	$4,225	$0	$0	$0	$59,225	$3,917
Secretary/Treasurer	Mr. Andrew F. Chipman	0.5	$55,000	$7,170	$0	$0	$0	$62,170	$2,695
Secretary/Treasurer	Mr. Dexter R. Durfey	0.5	$37,500	$6,834	$0	$0	$0	$44,334	$4,823
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		241.6	$17,303,753	$0	$0	$0	$0	$17,303,753	
Uncertificated Salaries & Wages		225.0	$5,432,743	$0	$0	$0	$0	$5,432,743	
TOTALS			$22,990,093	$26,032	$21,710	$0	$50,000	$23,087,835	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 56

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 2115

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Wetaskiwin Regional Division No.11
Name of School Jurisdiction

5515-47 A Avenue, Wetaskiwin, AB T9A 3S3
Mailing Address

Phone (780) 352-6018 Fax (780) 352-7886
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Wetaskiwin Regional Division No 11 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mr. Robert Reimer	"Original Signed By"
Name	**Signature**

SUPERINTENDENT

Dr. Hal Kluczny	"Original Signed By"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Ms. Arlene Dow	"Original Signed By"
Name	**Signature**

8-Dec-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 2115

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Grant Thornton LLP
Chartered Accountants
Management Consultants
Canadian Member of
Grant Thornton International

Grant Thornton

Auditors' Report

To the Board Of Trustees
Wetaskiwin Regional Division No. 11

We have audited the statement of financial position of the Wetaskiwin Regional Division No. 11 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in net assets, cash flows, and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Wetaskiwin, Canada
October 31, 2003

Grant Thornton LLP
Chartered Accountants

5108 51 Avenue
Wetaskiwin, AB
T9A 0V2
Tel: (780) 352-1679
Edmonton Direct: (780) 421-4631
Fax: (780) 352-2451

School Jurisdiction Code: 2115

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$9,288,319	$16,677,799
Accounts receivable (net after allowances)		$2,658,003	$2,485,942
Prepaid expenses		$214,817	$163,998
Other current assets		$237,992	$230,952
Total current assets		$12,399,131	$19,558,691
School generated assets		$876,448	$610,247
Trust assets		$344,761	$365,523
Long term accounts receivable		$0	$0
Capital assets			
Land		$242,290	$242,290
Buildings	$52,686,962		
Less: accumulated amortization	($19,622,593)	$33,064,369	$27,004,701
Equipment	$7,083,484		
Less: accumulated amortization	($6,768,777)	$314,707	$319,387
Vehicles	$300,015		
Less: accumulated amortization	($144,641)	$155,374	$86,407
Total capital assets		$33,776,740	$27,652,785
TOTAL ASSETS		$47,397,080	$48,187,246
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,626,011	$4,249,842
Deferred revenue		$1,268,514	$1,225,229
Deferred capital allocations		$3,208,270	$10,176,919
Current portion of all long term debt		$968,598	$973,406
Total current liabilities		$9,071,393	$16,625,396
School generated liabilities		$876,448	$610,247
Trust liabilities		$344,761	$365,523
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$8,703,346	$9,667,844
Less: Current portion of supported debt		($960,898)	($964,498)
Unsupported: Debentures and Capital Loans		$73,600	$81,300
Capital Leases		$0	$1,208
Mortgages		$0	$0
Less: Current portion of unsupported debt		($7,700)	($8,908)
Unamortized capital allocations		$22,353,203	$15,835,865
Total long term liabilities		$31,382,760	$25,588,581
TOTAL LIABILITIES		$40,454,153	$42,213,977
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$3,727,549	$3,522,350
Accumulated Operating Surplus (Deficit)		$3,727,549	$3,522,350
Investment in capital assets		$2,646,589	$2,066,567
Capital Reserves		$568,789	$384,352
Total Capital Funds		$3,215,378	$2,450,919
Total net assets		$6,942,927	$5,973,269
TOTAL LIABILITIES AND NET ASSETS		$47,397,080	$48,187,246

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2115

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$29,917,003	$28,239,956	$29,047,037
Alberta Infrastructure	$3,722,865	$3,035,529	$1,387,576
Alberta Finance	$943,126	$1,017,369	$1,092,039
Other Government of Alberta	$170,769	$5,800	$34,526
Federal Government and/or First Nations	$2,130,660	$2,585,630	$2,679,152
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$388,741	$424,358	$337,569
Transportation fees	$5,933	$0	$5,694
Other sales and services	$265,626	$89,072	$230,228
Investment income	$196,127	$102,000	$184,920
Gifts and donations	$181	$10,000	$33,643
Rentals of facilities	$8,173	$7,322	$4,817
Net school generated funds	$571,366	$675,000	$594,569
Gains on disposal of capital assets	$67,548	$0	$0
Amortization of capital allocations	$1,525,986	$1,226,000	$1,233,542
Total Revenues	$39,914,104	$37,418,036	$36,865,312
EXPENSES			
Certificated salaries	$18,058,305	$17,264,257	$16,844,518
Certificated benefits	$2,079,514	$1,968,865	$2,057,899
Uncertificated salaries and wages	$6,710,797	$6,315,914	$5,720,360
Uncertificated benefits	$1,496,161	$1,406,618	$1,459,134
Services, contracts and supplies	$7,689,916	$7,598,147	$7,079,193
Net school generated funds	$571,366	$675,000	$594,569
Capital and debt services			
Amortization of capital assets			
Supported	$1,233,294	$1,226,000	$1,233,542
Unsupported	$152,400	$111,700	$147,896
Total Amortization of capital assets	$1,385,694	$1,337,700	$1,381,438
Interest on capital debt			
Supported	$943,126	$1,017,369	$1,046,920
Unsupported	$7,967	$0	$8,781
Total interest on capital debt	$951,093	$1,017,369	$1,055,701
Other interest charges	$1,601	$0	$591
Losses on disposal of capital assets	$292,692	$0	$0
Total Expenses	$39,237,139	$37,583,870	$36,193,403
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$676,965	($165,834)	$671,909
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$676,965	($165,834)	$671,909

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2115

STATEMENT OF CASHFLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$676,965	$671,909
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,525,986)	($1,233,542)
Total amortization expense	$1,385,694	$1,381,438
Gains on disposal of capital assets	($67,548)	$0
Losses on sale of capital assets	$292,692	$0
Changes in accrued accounts:		
Accounts receivable	($172,061)	($65,175)
Prepaids and other current assets	($57,859)	($122,110)
Payables and accrued liabilities	($623,831)	$898,841
Deferred revenue	$43,285	$493,604
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($48,649)	$2,024,965
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($7,463,003)	($2,743,126)
Equipment	($107,382)	($267,044)
Vehicles	($92,648)	($19,937)
Net proceeds from disposal of capital assets	$78,770	$0
Other (describe) Donated asset	($150,530)	$0
Total sources (uses) of cash from investing activities	($7,734,793)	($3,030,107)
C. FINANCING ACTIVITIES		
Capital allocations received	$252,340	$4,350,461
Issue of long term debt	$0	$0
Repayment of long term debt	($973,406)	($996,282)
Add back: supported portion	$964,498	$986,165
Other (describe) Donated asset	$150,530	$0
Total sources (uses) from Financing activities	$393,962	$4,340,344
Net sources (uses) of cash equivalents* during year	($7,389,480)	$3,335,202
Cash Equivalents at the beginning of the year	$16,677,799	$13,342,597
Cash Equivalents at the end of the year	$9,288,319	$16,677,799

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2115

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(In dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$5,973,269	$2,066,567	$0	$3,906,702	$2,545,448	$87,498	$351,608	$0	$198,273	$395,467	$88,578	$229,827	$10,003	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$5,973,269	$2,066,567	$0	$3,906,702	$2,545,448	$87,498	$351,608	$0	$198,273	$395,467	$88,578	$229,827	$10,003	$0	$0
Surplus(def) of revenue over expenses	$676,965		$676,965												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$442,044	($442,044)	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,385,694)	$1,385,694												
Amortization of capital allocations		$1,525,986	($1,525,986)												
Disposal of unsupported capital assets	$0	($11,222)	$11,222	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$292,693	$0	$292,693			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$8,908	($8,908)												
Net transfers to operating reserves			($212,199)	$212,199	$93,112		$0			$48,914		$70,173		$0	
Net transfers from operating reserves			$7,000	($7,000)	$0		$0			($7,000)		$0		$0	
Net transfers to capital reserves			($184,437)	$184,437		$93,738			$32,444		$18,255		$40,000		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$6,942,927	$2,646,589	$0	$4,296,338	$2,638,560	$181,236	$351,608	$0	$230,717	$437,381	$106,833	$300,000	$50,003	$0	$0

School Jurisdiction Code: 2115

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$10,176,919	$15,835,865
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$10,176,919	$15,835,865
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$44,083	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$208,257	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$150,530
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$964,498
Expended capital allocations - current year		($7,220,989)	$7,220,989
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$292,693
Capital allocations amortized to revenue			$1,525,986
Balance at August 31, 2003		$3,208,270	$22,353,203

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Wetaskiwin Regional Division No. 11
Notes to the Financial Statements
August 31, 2003

1. Authority and purpose

The School Jurisdiction delivers education programs under the authority of the *School Act*, Chapter S-3, Statutes of Alberta, January 1, 2002. The Regional Division is exempt from payment of income tax under the Income Tax Act.

The School Jurisdiction receives block allocations for instruction and support under Regulation 72/95. The Regulation limits funding and expenses for administration. It permits the School Jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue recognition

The Wetaskiwin Regional Division #11 follows the deferral method of accounting for contributions.

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

2. Summary of significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents include cash on hand balances with bank and short term deposits with original maturities of one year or less.

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Inventory

Inventory is recorded at the lessor of cost and net realizable value where cost is determined on a specific invoice basis.

School generated funds

These are the funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

Capital assets

Capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of the contribution. Amortization is provided on a straight line basis over the assets' estimated useful lives at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

2. Summary of significant accounting policies (continued)

Pension obligation

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Wetaskiwin Regional School Division does not make pension contributions for certified staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $330,690 for the year ended August 31, 2003.

At December 31, 2002 the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2001 surplus - $634,960,000)

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Financial instruments

The jurisdiction's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from the financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services, and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

3. Cash and cash equivalents

Cash and cash equivalents include balances internally and externally restricted as follows:

	2003	2002
Externally restricted		
Capital projects	$ 3,208,270	$ 10,176,919
Operations	1,268,514	1,225,229
Internally restricted		
Capital reserves	568,789	384,352
Operating reserves	3,727,549	3,522,350
	$ 8,773,122	$ 15,308,850

4. Accounts receivable

	2003	2002
Province of Alberta	$ 1,497,887	$ 1,265,355
Federal Government	734,367	1,032,127
Other Alberta School Jurisdictions	5,933	5,694
Other	419,816	182,766
	$ 2,658,003	$ 2,485,942

5. Bank indebtedness

The Regional Division has a prime less 0.5% operating line of credit of $4,000,000 of which $4,000,000 is unused at August 31, 2003. As security the Regional Division has provided a borrowing by-law.

6. Accounts payable and accrued liabilities

	2003	2002
Province of Alberta	$ 608,960	$ 687,414
Federal Government	536,420	-
Other	2,480,631	3,562,428
	$ 3,626,011	$ 4,249,842

7. Deferred revenue

	2003	2002
Province of Alberta	$ 1,265,567	$ 1,224,724
Other	2,947	505
	$ 1,268,514	$ 1,225,229

8. Deferred capital allocations

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

9. **Trust assets and liabilities**	**2003**	2002
Deferred Salary Leave Plan	**$ 14,422**	$ -
Scholarship trusts	**88,404**	83,233
Student Health Initiative Trust	**241,935**	282,290
	$ 344,761	$ 365,523

10. **Long term debt**	**2003**	2002
Debentures:		
6.875% to 12% Alberta Municipal Finance Corporation debentures maturing at various dates from 2003 to 2018. Debenture debt is authorized by Alberta Treasury and $8,703,346 is fully supported.	**$ 8,776,946**	$ 9,749,144
Capital loans:		
15.33% capital equipment lease, maturing in 2003, repayable in equal annual instalments of principal and interest of $3,529. As security the Regional Division has provided specific equipment with a carrying value of $nil.	**-**	1,208
	8,776,946	9,750,352
Less: current portion	**968,598**	973,406
	$ 7,808,348	$ 8,776,946

Debenture and capital loan repayments required in each of the next five years and beyond are due as follows:

	Principal	Interest	Total
2003 - 2004	$ 968,598	$ 914,250	$ 1,882,848
2004 - 2005	932,198	811,472	1,743,670
2005 - 2006	922,089	711,994	1,634,083
2006 - 2007	922,089	613,464	1,535,553
2007 - 2008	840,805	514,933	1,355,738
2008 to maturity	4,191,167	1,706,428	5,897,595
Total	$ 8,776,946	$ 5,272,541	$14,049,487

11. Unamortized capital allocations

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

12. Commitments

Building projects

The jurisdiction is committed to further capital expenditures for the addition at Clear Vista School of approximately $8,704,535. To date $8,066,217 has been completed. It is anticipated that with the exception of $144,807, these costs will be fully funded by the capital allocations from Alberta Infrastructure.

Operating leases

The Regional Division has entered into a number of operating leases, which have financial commitments as outlined below. These leases relate to photocopiers, financial systems hardware and facility rental.

2003 - 2004	$ 267,228
2004 - 2005	266,884
2005 - 2006	252,378
2006 - 2007	219,683
2007 - 2008	212,524
2008 to maturity	17,729
Total	$ 1,236,426

13. Contingency

Contingent asset

The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

14. Economic dependence on related third party

The School Jurisdiction received 75% and 10.1% (2002 – 88.9% and 3.8%) of its revenues pursuant to fund arrangements with Alberta Learning and Alberta Infrastructure respectively. The Division's ability to continue viable operations is dependent on this funding.

15. Budget amounts

The budget was prepared by the School jurisdiction management with Board of Trustees approval given on June 24, 2002. It is presented for information purposes only and has not been audited.

16. Comparative figures

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

The 2002 comparative figures for Operating Reserves and Capital Reserves have been restated from those presented in the final version of the audited financial statements for the year ended August 31, 2002.

School Jurisdiction Code: 2115

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$23,431,199	$1,296,772	$22,134,427						
(2) Support block	$4,412,224				$2,973,164			$1,439,060	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$567,103	$16,409	$550,694						
(5) Student Health Initiative (SHI)	$278,317	$0	$272,036						$6,281
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,045,000	$21,773	$1,010,056					$13,171	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$183,160	$0	$183,160	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$29,917,003	$1,334,954	$24,150,373	$0	$2,973,164			$1,452,231	$6,281
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$440,736	$0	$0	$440,736					
(13) Operations & Maintenance support	$3,282,129			$3,282,129					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$3,722,865	$0	$0	$3,722,865					
(16) **Alberta Finance**	$943,126			$943,126	$0			$0	$0
(17) **Other - Government of Alberta**	$170,769	$54,730	$0	$116,039	$0			$0	$0
(18) **Federal Government and/or First Nations**	$2,130,660	$10,975	$1,807,540	$237,592	$0			$74,553	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$388,741	$8,063	$380,678						
(23) **Transportation fees**	$5,933				$5,933				
(24) **Other sales and services**	$265,626	$0	$209,267	$21,113	$0			$35,246	$0
(25) **Investment income**	$196,127	$0	$196,127	$0	$0				$0
(26) **Gifts and donations**	$181	$0	$0	$0	$0				$181
(27) **Rentals of facilities**	$8,173		$3,300	$4,873	$0			$0	$0
(28) **Net school generated funds**	$571,366		$571,366					$0	
(29) **Gains on disposal of capital assets**	$67,548		$16,201		$0			$51,347	$0
(30) **Amortization of capital allocations**	$1,525,986		$6,583	$1,519,403	$0				$0
(31) **TOTAL REVENUES**	$39,914,104	$1,408,722	$27,341,435	$6,565,011	$2,979,097			$1,613,377	$6,462
EXPENSES									
(32) **Certificated salaries**	$18,058,305	$467,283	$17,243,958				$347,064	$347,064	$0
(33) **Certificated benefits**	$2,079,514	$60,967	$1,980,554				$37,993	$37,993	$0
(34) **Uncertificated salaries and wages**	$6,710,797	$357,024	$4,051,202	$1,662,974	$74,633	$90,317	$474,647	$564,964	$0
(35) **Uncertificated benefits**	$1,496,161	$74,209	$938,476	$340,733	$17,116	$20,428	$105,199	$125,627	$0
(36) **SUB - TOTAL**	$28,344,777	$959,483	$24,214,190	$2,003,707	$91,749	$110,745	$964,903	$1,075,648	$0
(37) **Services, contracts & supplies**	$7,689,916	$190,359	$2,533,232	$2,058,364	$2,450,249	$97,697	$360,015	$457,712	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$571,366		$571,366						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,233,294	$0	$6,583	$1,226,711	$0		$0	$0	$0
(41) Unsupported	$152,400	$0	$100,102	$32,444	$1,599	$0	$18,255	$18,255	$0
(42) Total Amortization	$1,385,694	$0	$106,685	$1,259,155	$1,599	$0	$18,255	$18,255	$0
Interest on capital debt									
(43) Supported	$943,126	$0	$0	$943,126	$0		$0	$0	$0
(44) Unsupported	$7,967	$0	$0	$7,967	$0	$0	$0	$0	$0
(45) Other interest charges	$1,601	$0	$0	$0	$0		$1,601	$1,601	$0
(46) Losses on disposal of capital assets	$292,692	$0	$0	$292,692	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$39,237,139	$1,149,842	$27,425,473	$6,565,011	$2,543,597	$208,442	$1,344,774	$1,553,216	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$676,965	$258,880	($84,038)	$0	$435,500			$60,161	$6,462
Applicable student numbers/FTE equivalent	4,436.0	275	4,298.0	4,410.0	2,871			4,436.0	
AVERAGE PROGRAM COSTS per student	$8,845	$4,181	$6,381	$1,489	$886			$350	

School Jurisdiction Code: 2115

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$11,782,921	$1,478,135	$83,797	$1,746,348	$1,723,809	$428,948	$0	$17,243,958
Certificated benefits	$1,362,660	$142,172	$8,681	$207,991	$206,025	$53,025	$0	$1,980,554
Uncertificated salaries and wages	$552,109	$1,029,481	$327,869	$538,150	$1,317,997	$49,247	$236,349	$4,051,202
Uncertificated benefits	$112,323	$243,552	$63,748	$127,033	$327,713	$11,127	$52,980	$938,476
SUB - TOTAL REMUNERATION	$13,810,013	$2,893,340	$484,095	$2,619,522	$3,575,544	$542,347	$289,329	$24,214,190
Services, contracts & supplies	$1,865,118	$350,411	$224,618	$8,733	$27,997	$24,757	$31,598	$2,533,232
Cost recoveries & transfers	$0	$0	$99,973	$0	$0	($51,082)	($48,891)	$0
Net school generated funds	$571,366							$571,366
Amortization of capital assets								
Supported		$0	$6,583					$6,583
Unsupported		$0	$100,102					$100,102
Total Amortization	$0	$0	$106,685					$106,685
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$16,246,497	$3,243,751	$915,371	$2,628,255	$3,603,541	$516,022	$272,036	$27,425,473
FTE Certificated				27.7	27.2			
FTE Uncertificated				22.2	58.7			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$17,525,790	$1,947,268	$2,810,384	$0	$22,283,442	$17,636,967	$4,646,475
School Admin & Instruction Support Expenses						$3,243,751	($3,243,751)
System Instruction Support Expenses						$915,371	($915,371)
Total Basic Instruction	$17,525,790	$1,947,268	$2,810,384	$0	$22,283,442	$21,796,089	$487,353
Sub-Programs & Initiatives							
Severely Disabled	$3,481,564		$0		$3,481,564	$3,603,541	($121,977)
English as a Second Language	$46,677				$46,677	$33,323	$13,354
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$186,765		$0		$186,765	$186,765	$0
Institutional Programs	$91,973				$91,973	$91,973	$0
Sparsity & Distance	$310,088				$310,088		$310,088
Growth & Density	$6,012				$6,012		$6,012
Teacher Assistants Program	$80,980				$80,980	$230,959	($149,979)
Early Literacy Initiative (K-2)	$146,909				$146,909	$242,082	($95,173)
Learning Resources Credit & Resources for the Classroom	$35,962	$68,678	$380,678		$485,318	$703,278	($217,960)
Technology Integration	$168,775		$0		$168,775	$214,800	($46,025)
French Language Program & Francisation (all jurisdictions)	$16,539		$0		$16,539	$257,740	($241,201)
Home Education	$36,393		$0		$36,393	$64,923	($28,530)
Total Sub-Programs & Initiatives	$4,608,637		$380,678		$5,057,993	$5,629,384	($571,391)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$22,134,427	$2,015,946	$3,191,062	$0	$27,341,435	$27,425,473	($84,038)

School Jurisdiction Code: 2115

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,296,772	$22,134,427		$2,973,164	$1,439,060	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$23,431,199* = *$468,624* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 2115

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$23,262,424
Support Block - Transportation	$2,973,164
SUBTOTAL	$26,235,588

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,282,129
Teacher Salary Enhancement	$1,045,000
Other Alberta Learning revenues (Describe) RCF, SCHEP, Careers	$178,936
Other - Government of Alberta (Excluding Alberta Finance)	$170,769
Federal government/First Nations	$2,130,660
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$265,626
Interest on investments	$196,127
Rentals of facilities	$8,173
Gains on disposal of capital assets	$67,548
Amortization of capital allocations	$1,525,986
School generated funds (Schedule E)	$1,459,501
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$36,560,043**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**4.89%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,789,762
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,789,762**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,553,216
PLUS: transfers to Restricted - Operating (Board/System Administration)	$48,914
LESS: transfers from Restricted - Operating (Board/System Administration)	-$7,000
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,595,130
Maximum Expense Limit for Board & System Administration (Step 3)	$1,789,762
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$194,632

School Jurisdiction Code: 2115

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$610,247
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,459,501	
Less: SGF - related cost recoveries (Note 3)	$676,524	
- capitalized at the District level (Note 4)	$0	
Net Total	$782,977	
Plus: Donations Received (Note 5)	$54,590	
Equals: Net Additions to SGF		$837,567
Net SGF Available for discretionary spending		$1,447,814
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$571,366
Unexpended SGF - Closing Balance August 31, 2003		$876,448

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 2115

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,127,650	$369,958	$0	$12,491	$152,875	$1,662,974		$1,662,974
Uncertificated benefits	$231,459	$75,969	$0	$2,204	$31,101	$340,733		$340,733
Sub-total Remuneration	$1,359,109	$445,927	$0	$14,695	$183,976	$2,003,707		$2,003,707
Contracted Services	$1,025	$76,292	$0	$398,868	$554	$476,739		$476,739
Supplies	$42,701	$299,136	$0	$27,173	$111,423	$480,433		$480,433
Electricity			$468,588			$468,588		$468,588
Natural Gas/Heating Fuel			$464,999			$464,999		$464,999
Sewer and Water			$52,286			$52,286		$52,286
Telecommunications			$0			$0		$0
Insurance					$115,319	$115,319		$115,319
Amortization of capital assets								
Supported							$1,226,711	$1,226,711
Unsupported						$32,444		$32,444
Total Amortization						$32,444	$1,226,711	$1,259,155
Interest on capital debt								
Supported							$943,126	$943,126
Unsupported						$7,967		$7,967
Other interest charges								$0
Losses on disposal of capital assets						$292,692		$292,692
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,402,835	$821,355	$985,873	$440,736	$411,272	$4,395,174	$2,169,837	$6,565,011
SQUARE METRES								
School Buildings								64,684.6
Non School Buildings								2,336.0

Notes:

Custodial: All expenses related to activities undertaken to keep the school environment clean and safe.

Maintenance: All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.

Utilities & Telecommunications: All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

Expensed Block Mod/BQRP & Portable Relocations: All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.

Facility Planning & Operations Maintenance: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety staindards, codes and government regulations.

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 2115

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mr Robert Reimer	1.0	$15,943	$3,121	$0	$0	$0	$19,064	$5,428
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Ms Barb Johnson	1.0	$13,309	$3,178	$0	$0	$0	$16,487	$4,682
Name	Ms Kathy Rooyakkers	1.0	$11,750	$3,098	$0	$0	$0	$14,848	$9,801
Name	Mr Steven Hines	1.0	$10,135	$174	$0	$0	$0	$10,309	$3,897
Name	Mr Gregory Butt	1.0	$13,593	$3,593	$0	$0	$0	$17,186	$6,295
Name	Mr Ed Zaharko	1.0	$14,353	$4,153	$0	$0	$0	$18,506	$3,860
Name	Mr Gerd Andres	1.0	$11,234	$3,111	$0	$0	$0	$14,345	$2,480
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$C	$0	$0	$0	$0	$0	$0
Subtotal		*7.0*	*$90,317*	*$20,428*	*$0*	*$0*	*$0*	*$110,745*	*$36,443*
Superintendent	Dr. Hal Kluczny	1.0	$103,396	$9,007	$0	$0	$0	$112,403	$20,127
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Mr Joe Henderson	0.1	$14,457	$913	$0	$0	$0	$15,370	$71
Secretary/Treasurer	Ms Arlene Dow	0.9	$83,773	$17,667	$0	$0	$0	$101,440	$4,385
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		274.3	$17,954,909	$2,070,507	$0	$0	$0	$20,025,416	
Uncertificated Salaries & Wages		218.3	$6,524,454	$1,454,949	$0	$0	$0	$7,979,403	
TOTALS			**$24,771,306**	**$3,573,471**	**$0**	**$0**	**$0**	**$28,344,777**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 2115

SCHEDULE G1 to the AFS

DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*

COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1325

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Wild Rose School Division No. 66
Name of School Jurisdiction

4912 - 43 Street, Rocky Mountain House, Alberta
Mailing Address

Telephone: (403) 845-3376 Facsimile: (403) 845-4287
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Wild Rose School Division No. 66 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Howard Pearson	"Original Signed By"
Name	Signature

SUPERINTENDENT

J. Greg Thomas	"Original Signed By"
Name	Signature

SECRETARY TREASURER OR TREASURER

Cody G. McClintock	"Original Signed By"
Name	Signature

17-Dec-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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GK
DP

Gitzel Krejci Dand Peterson
CHARTERED ACCOUNTANTS

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AUDITORS' REPORT

To The Board of Trustees

Wild Rose School Division No. 66

We have audited the statement of financial position of the Wild Rose School Division No. 66 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Gitzel Krejci Dand Peterson
CHARTERED ACCOUNTANTS

Stettler, Alberta
November 20, 2003

* DENOTES PROFESSIONAL CORPORATION

School Jurisdiction Code: 1325

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002 Restated
ASSETS			
Current assets			
Cash and temporary investments		$15,874,475	$20,627,092
Accounts receivable (net after allowances)		$1,700,348	$1,395,375
Prepaid expenses		$247,506	$228,020
Other current assets		$122,694	$107,922
Total current assets		$17,945,023	$22,358,409
School generated assets		$842,328	$804,097
Trust assets		$173,141	$60,309
Long term accounts receivable		$191,155	$225,257
Capital assets			
Land		$2,277,833	$1,891,698
Buildings	$60,957,727		
Less: accumulated amortization	($22,125,418)	$38,832,309	$38,350,084
Equipment	$10,215,016		
Less: accumulated amortization	($7,656,291)	$2,558,725	$2,913,958
Vehicles	$4,126,627		
Less: accumulated amortization	($1,872,126)	$2,254,501	$1,851,475
Total capital assets		$45,923,368	$45,007,215
TOTAL ASSETS		$65,075,015	$68,455,287
LIABILITIES			
Current liabilities			
Bank indebtedness			
Accounts payable and accrued liabilities		$1,889,684	$3,335,407
Deferred revenue		$1,681,031	$2,202,341
Deferred capital allocations		$9,697,496	$11,492,297
Current portion of all long term debt		$786,285	$1,089,423
Total current liabilities		$14,054,496	$18,119,468
School generated liabilities		$842,328	$804,097
Trust liabilities		$173,141	$60,309
Employee future benefits liability			
Long term debt			
Supported:	Debentures and other supported debt	$7,001,392	$8,090,815
	Less: Current portion of supported debt	($786,285)	($1,089,423)
Unsupported:	Debentures and Capital Loans		
	Capital Leases		
	Mortgages		
	Less: Current portion of unsupported debt		
Unamortized capital allocations		$30,046,022	$28,350,493
Total long term liabilities		$37,276,598	$36,216,291
TOTAL LIABILITIES		$51,331,094	$54,335,759
NET ASSETS			
Unrestricted net assets		$2,053,971	$2,089,130
Operating Reserves		$1,686,153	$2,183,587
Accumulated Operating Surplus (Deficit)		$3,740,124	$4,272,717
Investment in capital assets		$8,875,958	$8,565,909
Capital Reserves		$1,127,839	$1,280,902
Total Capital Funds		$10,003,797	$9,846,811
Total net assets		$13,743,921	$14,119,528
TOTAL LIABILITIES AND NET ASSETS		$65,075,015	$68,455,287

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1325

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$34,164,276	$33,577,786	$34,827,494
Alberta Infrastructure	$4,259,176	$3,875,812	$1,601,050
Alberta Finance	$733,438	$811,580	$1,080,233
Other Government of Alberta	$57,229	$6,800	$54,926
Federal Government and/or First Nations	$78,983	$28,660	$65,446
Other Alberta school authorities	$7,622		$39,330
Out of province authorities			
Alberta Municipalities (excluding supplementary requisitions)			
Instruction resource fees	$34,794	$86,450	$49,900
Transportation fees			
Other sales and services	$158,049	$11,300	$166,801
Investment income	$256,474	$215,000	$249,547
Gifts and donations	$232,462	$7,000	$92,007
Rentals of facilities	$18,273	$3,000	$14,432
Net school generated funds	$1,147,085	$1,188,115	$1,046,251
Gains on disposal of capital assets	$42,232		
Amortization of capital allocations	$1,801,694	$1,713,564	$1,605,683
Total Revenues	$42,991,787	$41,525,067	$40,893,100
EXPENSES			
Certificated salaries	$19,280,625	$19,010,536	$18,655,930
Certificated benefits	$2,028,031	$1,995,964	$1,869,732
Uncertificated salaries and wages	$8,006,108	$7,508,522	$7,123,384
Uncertificated benefits	$1,530,454	$1,137,195	$1,406,619
Services, contracts and supplies	$7,979,354	$7,329,931	$6,847,223
Net school generated funds	$1,147,085	$1,188,115	$1,046,251
Capital and debt services			
Amortization of capital assets			
Supported	$1,801,694	$1,713,564	$1,605,683
Unsupported	$1,013,788	$944,358	$1,228,431
Total Amortization of capital assets	$2,815,482	$2,657,922	$2,834,114
Interest on capital debt			
Supported	$733,438	$811,580	$884,980
Unsupported			
Total Interest on capital debt	$733,438	$811,580	$884,980
Other interest charges	$1,831	$1,000	$10,526
Losses on disposal of capital assets			$40,590
Total Expenses	$43,522,408	$41,640,765	$40,719,349
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($530,621)	($115,698)	$173,751
Block BQRP revenue used for capital purposes			
Block MOD revenue used for capital purposes	$155,014		$27,635
1999 One-time grant revenue used for capital purposes			
Extraordinary Item			
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($375,607)	($115,698)	$201,386

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1325

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($375,607)	$201,386
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,801,694)	($1,605,683)
Total amortization expense	$2,815,482	$2,834,114
Gains on disposal of capital assets	($42,232)	
Losses on sale of capital assets		$40,590
Changes in accrued accounts:		
Accounts receivable	($270,871)	($277,373)
Prepaids and other current assets	($34,258)	($21,814)
Payables and accrued liabilities	($1,445,723)	$828,347
Deferred revenue	($521,310)	$314,745
Employee future benefit expense (recovery)		
Other (describe)		
Total sources (uses) of cash from Operations	($1,676,213)	$2,314,312
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($392,900)	
Buildings	($2,107,863)	($2,482,061)
Equipment	($520,820)	($760,602)
Vehicles	($710,052)	($286,066)
Net proceeds from disposal of capital assets	$42,232	$29,076
Other (describe)		
Total sources (uses) of cash from Investing activities	($3,689,403)	($3,499,653)
C. FINANCING ACTIVITIES		
Capital allocations received	$612,999	$1,917,082
Issue of long term debt		
Repayment of long term debt	($1,089,423)	($1,605,561)
Add back: supported portion	$1,089,423	$1,605,561
Other (describe)		
Total sources (uses) from Financing activities	$612,999	$1,917,082
Net sources (uses) of cash equivalents* during year	($4,752,617)	$731,741
Cash Equivalents at the beginning of the year	$20,627,092	$19,895,351
Cash Equivalents at the end of the year	$15,874,475	$20,627,092

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1325

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
					RESTRICTED NET ASSETS										
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS Columns 5 to 15	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$14,119,528	$8,565,909	$2,089,130	$3,464,489	$848,012	$380,206	$610,037		$41,000	$355,243		$370,295	$859,696		
Prior period adjustments (describe)															
Correction of Maintenance Capital R						($5,974)			$180,674				($174,700)		
Adjusted Balance, Aug.31, 2002	$14,119,528	$8,565,909	$2,089,130	$3,464,489	$848,012	$374,232	$610,037		$221,674	$355,243		$370,295	$684,996		
Surplus(def) of revenue over expenses	($375,607)		($375,607)												
Block BQRP funded capital transactions															
Block MOD funded capital transactions		$155,014	($155,014)												
Board funded capital transactions		$1,168,823	($480,283)	($688,540)		($98,907)			($49,690)				($539,943)		
Donations of non-amortizable assets															
Amortization of capital assets		($2,815,482)	$2,815,482												
Amortization of capital allocations		$1,801,694	($1,801,694)												
Disposal of unsupported capital assets			($42,232)	$42,232		$22,000			$1,050				$19,182		
Disposal of supported capital assets															
Debt principal payments (unsupported)															
Net transfers to operating reserves			($368,192)	$368,192								$368,192			
Net transfers from operating reserves			$865,626	($865,626)	($421,844)		($363,115)			($80,667)					
Net transfers to capital reserves			($493,245)	$493,245		$58,477			$38,950				$395,818		
Net transfers from capital reserves															
Balance at August 31, 2003	$13,743,921	$8,875,958	$2,053,971	$2,813,992	$426,168	$355,802	$246,922		$211,984	$274,576		$738,487	$560,053		

School Jurisdiction Code: 1325

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002	$11,492,297	$28,350,493
Prior period adjustment		
Adjusted balance, August 31, 2002	$11,492,297	$28,350,493
Add:		
Capital allocations from: AB Infrastructure - New/Modernization Projects	$299,050	
Other Government of Alberta		
Federal Government and/or First Nations		
Other sources	$6,993	
Interest earned on provincial government capital allocations	$306,956	
Other capital grants and donations		
Proceeds on disposal of supported capital assets		
Insurance proceeds		
Donated capital assets (depreciable, at Fair Market Value)		
Transferred in capital assets (depreciable, at Net Book Value)		
Current Year Debenture Principal Repayment		$1,089,423
Expended capital allocations - current year	($2,407,800)	$2,407,800
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		
Capital allocations amortized to revenue		$1,801,694
Balance at August 31, 2003	$9,697,496	$30,046,022

Note: input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

WILD ROSE SCHOOL DIVISION No. 66
NOTES TO FINANCIAL STATEMENT
AUGUST 31, 2003

1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the School Act, Chapter S3, Statutes of Alberta, April 1 2002

The School Division receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Only capital assets with costs in excess of $ 5000; or 10 and more items with an aggregate cost in excess of $ 10,000; or restricted by expenditure are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

The capital asset pools of furniture, equipment and buildings are deemed fully disposed 10 years after full amortization of the costs or incremental costs. Disposal amounts are prorated over the 10 years following full amortization. For buildings, this is an adjustment for the long-term nature of the asset, and capitalization of improvements extending the useful life, without any identifiable disposal of those components previously capitalized. For furniture and equipment, this adjustment recognizes that disposal of assets will take place over time, but not be specifically identifiable.

Inventories

Inventories are recorded at the lower of cost and net realizable value.

School Generated Funds

Funds generated from school-based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control of these funds rests with school jurisdiction officials or their appointee(s). These funds are usually collected and retained at the school for expenditures paid the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

Vacation Pay

Vacation pay is recorded when earned.

Contributed Services

Volunteers assist schools operated by the School Division in carrying out certain activities. Due to the difficulty of determining the fair value of these services and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

Pension

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Wild Rose School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $ 311,317 for the Year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2001 surplus of $634,960,000).

Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Employee Future Benefits

The School Division accounted for the future cost of employee benefits commencing in the 2002/2003 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

3. ACCOUNTS RECEIVABLE

Accounts Receivable comprises of the following amounts:

	2003	2002
Due from the Provincial Government	$ 1,396,950	$ 1,085,003
Due from the Federal Government	181,168	161,951
Due from the FMSS Society (Current)	22,184	22,184
Notes Receivable: Pension Buyback (Current)	10,237	10,237
Notes Receivable: Computer Purchase Plan (Current)	42,495	47,944
Accrued Interest and Refunds	36,608	46,031
Accounts Receivables: General	10,706	22,026
	$ 1,700,348	$ 1,395,376

4. OTHER CURRENT ASSETS

	2003	2002
Inventories	$ 122,169	$ 107,397
Utility Deposits	525	525
	$ 122,694	$ 107,922

5. LONG TERM ACCOUNTS RECEIVABLE

	2003	2002
Due from the FMSS Society	175,077	195,778
Notes Receivable: Pension Buyback	11,805	12,802
Notes Receivable: Computer Purchase Plan	4,271	16,677
	$ 191,153	$ 225,257

The amount due from the Frank Maddock Student Services Society; relating to an agreement between the School Division and the Society, for the Society to reimburse certain construction expenditures incurred on the construction of a facility at the Frank Maddock High School. The School Division retains title to the facility. The amount owing is unsecured and non-interest bearing repayment is to be made on a monthly basis. Payments over the next 5 years are as follow:

2005	22,184
2006	22,184
2007	22,184
2008	22,184
2009	22,184
Thereafter	64,157
	$ 175,077

6. BANK INDEBTEDNESS

The School Division has entered into a revolving line of credit agreement with Alberta Treasury Branches and is authorized to borrow up to $ 750,000 at the bank's prime rate of interest less ¼ percent.

The School Division has entered into an agreement with US Bank for VISA credit services for purchasing cards. The agreement allows an average monthly utilization of $ 66,000. The School Division has not utilized this service.

At year-end no amounts were outstanding.

7. DEFERRED REVENUE

Deferred revenue consists of the following unexpended grants, as qualifying expenditures are incurred these grants will be recognized as revenue:

	2003	2002
Infrastructure Maintenance Program (IMP) Grant	$ 488,262	$ 1,146,722
Province of Alberta – One Time Grant	-	60,077
Province of Alberta – Instruction Grant	-	133,301
Student Satisfaction Survey Grant	-	20,000
Block Modernization Funding	565,177	699,333
Alberta Initiative for School Improvement	219,479	142,908
Province of Alberta – One-Time Transportation Grant	53,200	-
Province of Alberta – One-Time Maintenance Grant	354,913	-
	$ 1,681,031	$ 2,202,341

The Infrastructure Maintenance Program Grant is the former Building Quality Restoration Program Grant.

The One Time Grant was issued by the Province of Alberta in the amount of $1,593,015 in a previous year. These funds can only be used for expenditures approved by the Province.

The Instruction Grant was advanced by the Province of Alberta in the amount of $ 133,301, as a one-time allotment of funds, in lieu of grant increases.

Student Satisfaction Survey Grant was advanced by the Province of Alberta for 2003/2003 school year for the inclusion of provincial questions to be distributed with school satisfaction surveys in eight jurisdictions.

Block Modernization Grants and accrued interest on these restricted capital funds were in excess of expenditures made. Expenditure of these funds is outlined in the School Division's Facility Master Plan.

Alberta Initiative for School Improvement Grants received, were in excess of expenditures made. Expenditure of these funds is outlined on a project basis, approved by the Board of Trustees and the Province of Alberta.

A One-Time Transportation Grant for additional costs of fuel and insurance was made to off-set expenditures in either 2002/2003 or 2003/2004 school year. These funds will be utilized in the 2003/2004 school year.

A One-Time Maintenance Grant for additional costs of energy and insurance was made to off-set expenditures in either 2002/2003 (upon application to the Minister of Infrastructure) or 2003/2004 school year. These funds will be utilized in the 2003/2004 school year.

8. DEFERRED CAPITAL ALLOCATIONS

The School Division was advanced funding by the Province of Alberta for the modernization or replacement of school facilities. These funds are to address issues arising from School Facility Audit performed by the Ministry of Infrastructure. The grant funding and related accumulated interest earned on advances are transferred to Unamortized Capital Allocations as expenses are incurred. The unexpended funding (or funding due) and related accumulated interest, allocated by the Province of Alberta is as follows:

	2003	2002
Will Sinclair High School	$ 9,697,498	$ 11,301,815
Frank Maddock High School	-	160,483
Locheam Elementary School	-	29,999
	$ 9,697,498	$ 11,492,297

9. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas:

	2003	2002
Deferred salary plan	$ 161,521	$ 48,619
Scholarship funds	9,065	10,079
Other trust amounts	2,555	1,611
	$ 173,141	$ 60,309

10. LONG TERM DEBT

The debenture debt bears interest at rates varying between 7.25 % and 12 %, and mature at various times between 2004 and 2020. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount.

	2003	2002
Long Term Debt	$ 7,001,392	$ 8,090,815
Less: Current Portion	786,285	1,089,423
	$ 6,215,107	$ 7,001,392

Principal payments required in each of the next five fiscal years are as follows:

	2003
2004	786,285
2005	692,905
2006	686,397
2007	660,733
2008	639,116
Thereafter	3,535,956
	$ 7,001,392

11. INVESTMENT IN CAPITAL ASSETS

Investment in capital assets is comprised of the following:

	2003	2002
Net Capital Assets	$ 45,923,370	$ 45,007,215
Capital debt	(7,001,391)	(8,090,814)
Unamortized capital allocations	(30,046,021)	(28,350,492)
Investment in capital assets end of year	$ 8,875,958	$ 8,565,909

12. CONTINGENCIES

Contingent Assets

The School Division is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of the equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

13. COMMITMENTS

School Construction Contracts

The jurisdiction is committed to construction contracts related to the replacement of Will Sinclair High School. The commitment for construction and architectural fees is approximately $ 11,455,033 subject to the completion of construction. This commitment is fully funded by Alberta Infrastructure.

Purchase of Property for School

Under the terms of an agreement with the Town of Rocky Mountain House for the purchase of land for a replacement school, the jurisdiction is committed to pay an additional sum equal to 50% of the proceeds above $ 800,000 from the disposition of the Will Sinclair High School property, to a maximum of $ 150,000.

Student Transportation Contracts

The jurisdiction is committed to 35 student transportation contracts for the operation of school buses. These are term contracts with a 90 day notice of early termination clause. The maturity dates for these contracts are grouped as follows:

Contracts with End Date: August 31 of:	Number of Contracts
2005	9
2006	14
2007	11
2008	1
Total	35

14. RELATED PARTY TRANSACTIONS

During the year the School Division entered into transactions with related parties as follows:

The Wild Rose School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

The School Division received funding for operations from the Province of Alberta in the amount of $ 39,115,807 (2002 - $ 37,563,703.) In addition, the Province of Alberta advanced funds for capital projects totalling $ $93,620 (2002 - $ 1,594,806.)

The School Division has debenture debt in the amount of $ 7,001,392 payable to the Province of Alberta and the principal and interest payments are supported through Province of Alberta funding.

The Alberta Teachers' Retirement Fund pension plan payments are paid by the provincial government directly to the plan on behalf of the division. The amount of these payments has not been disclosed to the division.

15. BUDGET AMOUNTS

The budget was prepared by the School Division management with Board of Trustee approval. It is presented for information purposes only and has not been audited.

16. COMPARATIVE FIGURES

The Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

The 2002 comparative figures for Investment in Capital Assets and Unrestricted Net Assets have been restated from those presented in the final version of the Audited Financial Statements for the Year Ended August 31, 2002.

17. PRIOR PERIOD ADJUSTMENTS

Capital Reserves

School Based Unsupported Capital Reserves (2002 – $ 380,206) has been decreased to $ 374,232; and Transportation Unsupported Capital Reserves (2002 – $ 859,696) has been decreased to $ 684,996; and Alberta Infrastructure Unsupported Capital Reserves (2002 – $ 41,000) has been increased to $ 221,674 as a result of a $ 180,674 change in the treatment of reserves associated with operations and maintenance.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 1325

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin.	External Services
Alberta Learning allocations									
(1) Instruction block	$27,202,467	$1,235,405	$25,947,062						
(2) Support block	$4,953,509				$3,421,928			$1,531,581	
(3) Instruction & support block reallocations		($112,706)	$201,772		($79,005)			($8,167)	($1,894)
(4) Alberta Initiative for School Improvement (AISI)	$591,896		$591,896						
(5) Student Health Initiative (SHI)	$101,374		$20,677						$80,697
(6) Supernet Access	$40,670		$40,670						
(7) Teacher Salary Enhancement (TSE)	$1,182,000		$1,182,000						
(8) Regional P.D. Consortium (6 boards only)									
(9) Regional Assessment Services (4 boards only)									
(10) Other Alberta Learning revenues	$112,360		$112,360						
(11) **Total Alberta Learning Revenue**	$34,184,276	$1,122,690	$28,096,437		$3,342,923			$1,523,414	$78,803
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$699,822			$699,822					
(13) Operations & Maintenance support	$3,550,354			$3,550,354					
(14) Operations & Maintenance support (One-Time)									
(15) **Total Alberta Infrastructure Revenue**	$4,250,176			$4,250,176					
(16) **Alberta Finance**	$733,438			$733,438					
(17) **Other - Government of Alberta**	$57,229		$25,779	$31,943				($493)	
(18) **Federal Government and/or First Nations**	$78,983		$78,983						
(19) **Other Alberta school authorities**	$7,622		$7,622						
(20) **Out of province authorities**									
(21) **Alberta municipalities (excl. supplementary requisitions)**									
(22) **Instruction resource fees**	$34,804	$4,510	$30,294						
(23) **Transportation fees**									
(24) **Other sales and services**	$158,040		$120,760	$1,075	$3,491			$17,688	$15,026
(25) **Investment income**	$256,474		$128,271	$41,366	$14,953			$71,884	
(26) **Gifts and donations**	$232,462		$232,462						
(27) **Rentals of facilities**	$18,273		$10,113					$5,060	$3,100
(28) **Net school generated funds**	$1,147,085		$1,147,085						
(29) **Gains on disposal of capital assets**	$42,232		$22,000	$1,050	$19,182				
(30) **Amortization of capital allocations**	$1,801,694		$302,175	$1,499,519					
(31) **TOTAL REVENUES**	$42,991,787	$1,127,200	$30,201,980	$6,567,567	$3,380,549			$1,617,533	$96,929
EXPENSES									
(32) **Certificated salaries**	$19,280,625	$544,366	$18,484,585				$204,872	$204,872	$66,702
(33) **Certificated benefits**	$2,028,031	$57,238	$1,944,905				$17,782	$17,782	$8,106
(34) **Uncertificated salaries and wages**	$8,008,108	$295,363	$4,405,837	$1,764,568	$906,696	$71,550	$555,472	$627,022	$8,622
(35) **Uncertificated benefits**	$1,530,454	$44,255	$887,239	$368,565	$107,233	$16,219	$105,685	$121,904	$1,258
(36) **SUB - TOTAL**	$30,845,218	$941,222	$25,702,566	$2,133,133	$1,013,929	$87,769	$883,911	$971,680	$82,688
(37) **Services, contracts & supplies**	$7,979,354	$177,340	$2,985,262	$2,567,437	$1,608,987	$48,363	$597,718	$646,081	$14,241
(38) **Cost recoveries & transfers (must balance to zero)**		$500	$56,827	($54,412)	($30,243)		$27,328	$27,328	
(39) **Net school generated funds**	$1,147,085		$1,147,085						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,801,694		$302,175	$1,499,519					
(41) Unsupported	$1,013,788	$1,863	$556,482	$122,998	$279,685		$52,760	$52,760	
(42) Total Amortization	$2,815,482	$1,863	$858,657	$1,622,517	$279,685		$52,760	$52,760	
Interest on capital debt									
(43) Supported	$733,438			$733,438					
(44) Unsupported									
(45) Other interest charges	$1,831		$1,388	$172	$162		$109	$109	
(46) Losses on disposal of capital assets									
(47) **TOTAL EXPENSES**	$43,522,408	$1,120,931	$30,731,785	$7,002,265	$2,872,520	$136,132	$1,561,826	$1,697,958	$96,929
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($530,621)	$6,269	($529,805)	($434,698)	$508,029			($80,425)	
Applicable student numbers/FTE equivalent	5,206.8	348	5,032.8	5,187.4	3,573			5,206.8	
AVERAGE PROGRAM COSTS per student	$8,359	$3,221	$6,106	$1,347	$804			$326	

School Jurisdiction Code: 1325

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$13,940,919	$2,070,415	$247,839	$1,049,504	$784,251	$371,657		$18,464,585
Certificated benefits	$1,479,792	$207,759	$25,764	$114,207	$83,800	$33,583		$1,944,905
Uncertificated salaries and wages	$559,764	$1,544,996	$26,531	$399,747	$1,855,864	$18,935		$4,405,837
Uncertificated benefits	$99,546	$312,833	$7,279	$80,268	$384,411	$2,902		$887,239
SUB - TOTAL REMUNERATION	$16,080,021	$4,136,003	$307,413	$1,643,726	$3,108,326	$427,077		$25,702,566
Services, contracts & supplies	$1,759,501	$784,853	$49,405	$82,385	$102,534	$170,907	$15,677	$2,965,262
Cost recoveries & transfers	$52,035	$4,792						$56,827
Net school generated funds	$1,147,085							$1,147,085
Amortization of capital assets								
Supported	$302,175							$302,175
Unsupported	$556,482							$556,482
Total Amortization	$858,657							$858,657
Interest on capital debt								
Supported								
Unsupported								
Other interest charges	$1,388							$1,388
Losses on disposal of capital assets								
TOTAL EXPENSES	$19,898,687	$4,925,648	$356,818	$1,726,111	$3,210,860	$597,984	$15,677	$30,731,785
FTE Certificated				17.7	13.0			
FTE Uncertificated				19.6	85.9			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$22,368,976	$1,875,321	$2,075,259	$201,772	$26,521,328	$21,577,876	$4,943,452
School Admin & Instruction Support Expenses						$4,925,648	($4,925,648)
System Instruction Support Expenses						$356,818	($356,818)
Total Basic Instruction	$22,368,976	$1,875,321	$2,075,259	$201,772	$26,521,328	$26,860,342	($339,014)
Sub-Programs & Initiatives							
Severely Disabled	$1,693,889				$1,693,889	$3,210,860	($1,516,971)
English as a Second Language	$7,588				$7,588	$7,588	
Enhanced Opportunities							
First Nations, Metis, and Inuit Education	$51,812				$51,812	$39,735	$12,077
Institutional Programs	$103,484				$103,484	$132,315	($28,831)
Sparsity & Distance	$1,146,481				$1,146,481		$1,146,481
Growth & Density	$6,463				$6,463		$6,463
Teacher Assistants Program	$103,766				$103,766	$90,791	$12,975
Early Literacy Initiative (K-2)	$201,682				$201,682	$179,274	$22,408
Learning Resources Credit & Resources for the Classroom	$50,740	$52,282	$30,284		$133,306	$193,384	($60,078)
Technology Integration	$218,225				$218,225		$218,225
French Language Program & Francisation (all jurisdictions)							
Home Education	$13,956				$13,956	$17,496	($3,540)
Total Sub-Programs & Initiatives	$3,598,086		$30,284		$3,680,652	$3,871,443	($190,791)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$25,967,062	$1,927,603	$2,105,543	$201,772	$30,201,980	$30,731,785	($529,805)

School Jurisdiction Code: 1325

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,235,405	$25,967,062		$3,421,928	$1,531,581	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$1,894				($1,894)
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Not						
From all or part of maximum 2% of Instruction block to Transportation						
Calculation: 2% of *$27,202,467* = *$544,049*						
From Instruction block (Growth & Denisty component) to Transportation						
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$79,005		($79,005)		
From Board and System Administration block to:						
(1) Transportation						
(2) Instruction		$8,167			($8,167)	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$6,723	($6,723)				
(2) ECS to: Instruction	($119,429)	$119,429				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($112,706)	$201,772		($79,005)	($8,167)	($1,894)

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1325

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$26,984,242
Support Block - Transportation	$3,421,928
SUBTOTAL	$30,406,170

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,559,354
Teacher Salary Enhancement	$1,162,000
Other Alberta Learning revenues (Describe)	
Other - Government of Alberta (Excluding Alberta Finance)	$57,229
Federal government/First Nations	$78,983
Other Alberta school authorities	$7,622
Out of province local authorities	
Alberta municipalities	
Other sales and services	$158,049
Interest on investments	$256,474
Rentals of facilities	$18,273
Gains on disposal of capital assets	$42,232
Amortization of capital allocations	$1,801,694
School generated funds (Schedule E)	$1,627,468
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$39,175,548**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**4.47%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	$1,751,147

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000		
If Francophone Board, enter 330,000		

(If none of these considerations apply, leave the above cells blank)

MAXIMUM EXPENSE LIMIT	**$1,751,147**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,697,958
PLUS: transfers to Restricted - Operating (Board/System Administration)	
LESS: transfers from Restricted - Operating (Board/System Administration)	-$80,667
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,617,291

Maximum Expense Limit for Board & System Administration (Step 3)	$1,751,147
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$133,856

School Jurisdiction Code: 1325

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1)		$804,097
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,627,468	
Less: SGF - related cost recoveries (Note 3)	$498,719	
- capitalized at the District level (Note 4)		
Net Total	$1,128,749	
Plus: Donations Received (Note 5)	$56,567	
Equals: Net Additions to SGF		$1,185,316
Net SGF Available for discretionary spending		$1,989,413
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$1,147,085
Unexpended SGF - Closing Balance August 31, 2003		$842,328

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1325

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,231,475	$360,081		$58,541	$114,471	$1,764,568		$1,764,568
Uncertificated benefits	$249,031	$84,963		$11,990	$22,581	$368,565		$368,565
Sub-total Remuneration	$1,480,506	$445,044		$70,531	$137,052	$2,133,133		$2,133,133
Contracted Services		$76,267		$252,746		$329,013		$329,013
Supplies	$121,443	$320,841		$402,052		$844,336		$844,336
Electricity			$709,982			$709,982		$709,982
Natural Gas/Heating Fuel			$484,721			$484,721		$484,721
Sewer and Water			$100,918			$100,918		$100,918
Telecommunications			$17,235			$17,235		$17,235
Insurance					$81,232	$81,232		$81,232
Amortization of capital assets								
Supported							$1,499,519	$1,499,519
Unsupported						$122,998		$122,998
Total Amortization						$122,998	$1,499,519	$1,622,517
Interest on capital debt								
Supported							$733,438	$733,438
Unsupported								
Other interest charges						$172		$172
Losses on disposal of capital assets								
Cost recoveries & transfers						($54,412)		($54,412)
TOTAL EXPENSES	$1,601,949	$842,152	$1,312,856	$725,329	$218,284	$4,769,328	$2,232,957	$7,002,285
SQUARE METRES								
School Buildings								706,260.7
Non School Buildings								47,010.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1325

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mr. H. Pearson	0.0	$0	$0				$0	$0
Name	Ms M. Fishers	1.0	$14,475	$2,854				$17,329	$6,924
Other Board Members:									
Name	Ms M. Fisher	0.0	$0	$0				$0	$0
Name	Ms V. Jorgensen	1.0	$9,531	$2,629				$12,160	$4,756
Name	Mr. G. Kujala	1.0	$11,869	$2,713				$14,582	$4,034
Name	Mr. H. Pearson	1.0	$9,788	$2,599				$12,387	$4,793
Name	Ms R. Taylor	1.0	$13,769	$2,759				$16,528	$6,077
Name	Ms G. Thomas	1.0	$12,119	$2,666				$14,785	$5,763
Name								$0	
Name								$0	
Name								$0	
Name								$0	
Name								$0	
Name								$0	
Name								$0	
Name								$0	
Name								$0	
Name								$0	
Name								$0	
Name								$0	
Name								$0	
Subtotal		*6.0*	*$71,551*	*$16,220*	*$0*	*$0*	*$0*	*$87,771*	*$32,347*
Superintendent	J. Greg Thomas	1.0	$123,500	$8,714				$132,214	$20,569
Superintendent								$0	
Secretary/Treasurer	Cody G. McClintock	1.0	$98,000	$14,721				$112,721	$11,813
Secretary/Treasurer								$0	
Board Secretary								$0	
Board Secretary								$0	
Board Treasurer								$0	
Board Treasurer								$0	
Certificated Salaries		286.8	$19,007,125	$2,019,317			$150,000	$21,176,442	
Uncertificated Salaries & Wages		1,072.0	$7,848,547	$1,487,523				$9,336,070	
TOTALS			**$27,148,723**	**$3,546,495**	**$0**	**$0**	**$150,000**	**$30,845,218**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 1325

SCHEDULE G1 to the AFS

DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*

COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 54

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

WOLF CREEK SCHOOL DIVISION NO.72
Name of School Jurisdiction

6000 Highway 2A Ponoka, Alberta T4J 1P6
Mailing Address

Phone (403)783-3473 Fax (403)783-3483
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules WOLF CREEK SCHOOL DIVISION NO.72
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Karin Engen	"Original Signed By"
Name	Signature

SUPERINTENDENT	
Dr. Larry Jacobs	"Original Signed By"
Name	Signature

SECRETARY TREASURER OR TREASURER	
Joseph Henderson, C.G.A.	"Original Signed By"
Name	Signature

21-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 54

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ROWLAND, PARKER & ASSOCIATES
CHARTERED ACCOUNTANTS
BOX 4008
PONOKA, ALBERTA
T4J 1R5

AUDITORS' REPORT

To the Board of Trustees of
Wolf Creek Regional School Division No. 72

We have audited the statement of financial position of the Wolf Creek Regional School Division No. 72 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the result of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Ponoka, Alberta
November 20, 2003

Signed Rowland, Parker & Associates
Chartered Accountants

2004

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School Jurisdiction Code: 54

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$30,191,437	$33,768,479
Accounts receivable (net after allowances)		$1,716,257	$1,097,012
Prepaid expenses		$438,595	$485,870
Other current assets		$6,509	$3,430
Total current assets		$32,352,798	$35,354,791
School generated assets		$842,824	$916,895
Trust assets		$636,760	$606,978
Long term accounts receivable		$0	$0
Capital assets			
Land		$541,525	$541,525
Buildings	$54,612,365		
Less: accumulated amortization	($25,831,173)	$28,781,192	$26,483,345
Equipment	$2,925,095		
Less: accumulated amortization	($2,308,012)	$617,083	$654,329
Vehicles	$7,511,606		
Less: accumulated amortization	($3,870,047)	$3,641,559	$3,269,194
Total capital assets		$33,581,359	$30,948,393
TOTAL ASSETS		$67,413,741	$67,827,057
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,964,784	$3,041,489
Deferred revenue		$1,319,139	$1,444,552
Deferred capital allocations		$16,549,712	$19,772,858
Current portion of all long term debt		$495,343	$628,102
Total current liabilities		$22,328,978	$24,887,001
School generated liabilities		$842,824	$916,895
Trust liabilities		$636,760	$606,978
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$4,540,519	$5,168,621
Less: Current portion of supported debt		($495,343)	($628,102)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$23,854,167	$20,926,773
Total long term liabilities		$29,378,927	$26,991,165
TOTAL LIABILITIES		$51,707,905	$51,878,166
NET ASSETS			
Unrestricted net assets		$1,217,453	$1,459,698
Operating Reserves		$6,566,666	$6,911,609
Accumulated Operating Surplus (Deficit)		$7,784,119	$8,371,307
Investment in capital assets		$5,186,673	$4,853,000
Capital Reserves		$2,735,044	$2,724,584
Total Capital Funds		$7,921,717	$7,577,584
Total net assets		$15,705,836	$15,948,891
TOTAL LIABILITIES AND NET ASSETS		$67,413,741	$67,827,057

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 54

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$48,281,719	$47,895,478	$48,272,498
Alberta Infrastructure	$5,739,245	$5,062,334	$2,504,873
Alberta Finance	$500,149	$505,869	$552,047
Other Government of Alberta	$293,952	$281,460	$300,409
Federal Government and/or First Nations	$1,526,254	$1,334,264	$1,453,103
Other Alberta school authorities	$10,388	$21,575	$6,000
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$267,106	$229,901	$214,417
Instruction resource fees	$710,813	$662,363	$709,694
Transportation fees	$102,008	$115,000	$93,572
Other sales and services	$524,363	$412,470	$874,241
Investment income	$439,407	$310,000	$444,434
Gifts and donations	$29,206	$12,000	$50,662
Rentals of facilities	$15,448	$6,332	$18,715
Net school generated funds	$220,545	$120,000	$156,009
Gains on disposal of capital assets	$10,460	$7,500	$13,410
Amortization of capital allocations	$1,643,763	$1,635,276	$1,542,241
Total Revenues	$60,314,828	$58,611,822	$57,206,325
EXPENSES			
Certificated salaries	$29,960,004	$29,958,510	$27,338,629
Certificated benefits	$3,254,642	$3,158,965	$3,012,586
Uncertificated salaries and wages	$11,144,344	$10,362,613	$10,367,152
Uncertificated benefits	$2,272,208	$2,379,799	$1,993,452
Services, contracts and supplies	$10,851,394	$10,828,195	$10,479,547
Net school generated funds	$220,545	$120,000	$156,009
Capital and debt services			
Amortization of capital assets			
Supported	$1,643,763	$1,635,276	$1,542,241
Unsupported	$710,799	$708,948	$701,411
Total Amortization of capital assets	$2,354,562	$2,344,224	$2,243,652
Interest on capital debt			
Supported	$500,149	$505,869	$552,047
Unsupported	$0	$0	$0
Total Interest on capital debt	$500,149	$505,869	$552,047
Other interest charges	$35	$100	$179
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$60,557,883	$59,658,275	$56,143,253
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($243,055)	($1,046,453)	$1,063,072
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$83,239
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($243,055)	($1,046,453)	$1,146,311

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 54

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($243,055)	$1,146,311
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,643,763)	($1,542,241)
Total amortization expense	$2,354,562	$2,243,652
Gains on disposal of capital assets	($10,460)	($13,410)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($619,245)	($146,164)
Prepaids and other current assets	$44,196	$129,709
Payables and accrued liabilities	$923,295	$780,172
Deferred revenue	($125,413)	($339,644)
Employee future benefit expense (recovery)	$0	($327,815)
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$680,117	$1,930,570
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	($268)
Buildings	($3,943,056)	($2,346,005)
Equipment	($142,277)	($228,406)
Vehicles	($902,195)	($661,954)
Net proceeds from disposal of capital assets	$10,460	$13,410
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($4,977,068)	($3,223,223)
C. FINANCING ACTIVITIES		
Capital allocations received	$719,910	$19,890,548
Issue of long term debt	$0	$0
Repayment of long term debt	($628,102)	($742,213)
Add back: supported portion	$628,101	$742,213
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$719,909	$19,890,548
Net sources (uses) of cash equivalents* during year	($3,577,042)	$18,597,895
Cash Equivalents at the beginning of the year	$33,768,479	$15,170,584
Cash Equivalents at the end of the year	$30,191,437	$33,768,479

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 54

# STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$15,948,891	$4,853,000	$1,459,698	$9,636,193	$4,770,934	$0	$1,092,868	$0	$888	$480,515	$2,152,564	$567,292	$571,132	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$15,948,891	$4,853,000	$1,459,698	$9,636,193	$4,770,934	$0	$1,092,868	$0	$888	$480,515	$2,152,564	$567,292	$571,132	$0	$0
Surplus(def) of revenue over expenses	($243,055)		($243,055)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$1,044,472	$0	($1,044,472)	($46,361)	$0	($81,625)		$0	$0	$0	($916,486)	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($2,354,562)	$2,354,562												
Amortization of capital allocations		$1,643,763	($1,643,763)												
Disposal of unsupported capital assets	$0	$0	($10,460)	$10,460		$0			$0		$0		$10,460		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($1,070,244)	$1,070,244	$155,000		$156,971			$10,370		$747,903		$0	
Net transfers from operating reserves			$370,715	($370,715)	($360,255)		$0			$0		($10,460)		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$15,705,836	$5,186,673	$1,217,453	$9,301,710	$4,519,318	$0	$1,168,214	$0	$888	$490,885	$2,152,564	$388,249	$581,592	$0	$0

School Jurisdiction Code: 54

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002	$19,772,858	$20,926,773
Prior period adjustment	$0	
Adjusted balance, August 31, 2002	$19,772,858	$20,926,773
Add:		
Capital allocations from: AB Infrastructure - New/Modernization Projects		
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$719,910	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (depreciable, at Fair Market Value)		$0
Transferred in capital assets (depreciable, at Net Book Value)		
Current Year Debenture Principal Repayment		$628,101
Expended capital allocations - current year	($3,943,056)	$3,943,056
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,643,763
Balance at August 31, 2003	$16,549,712	$23,854,167

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

WOLF CREEK SCHOOL DIVISION #72
Notes to Financial Statements
August 31, 2003

1. Authority and Purpose

The School Division delivers education programs under the authority of the School Act, Chapter S-3, Statues of Alberta, January 1, 2002.

The School Division receives block allocation for Instruction, Support and Capital purposes under Regulation 72/95. The Regulation limits funding and expenses for administration. It permits the School Division within specific limits, to reallocate funding between the instruction and support blocks.

2. Summary of Significant Accounting Policies

These financial statements are prepared in accordance with generally accepted accounting principles with the significant accounting policies being as follows:

a. Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted donations are recognized as revenue when received or receivable. Donations in kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

b. Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 4%
Equipment and Furnishings	10% and 20%
Vehicles and buses	10% and 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any allocations received for asset additions are amortized over the same period as the related asset.

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2003

Summary of Significant Accounting Policies (continued...)

c. Inventories

Inventories are recorded at the lesser of cost and net realizable value.

d. School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointee(s).

e. Vacation Pay

Vacation pay is recorded when earned.

f. Contributed Services

Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficultly of determining their fair value and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

g. Pension Obligation

Pension costs included in these statement comprise the cost of employer contributions for current service of employees during the year.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The Expense for this pension plan is equivalent to the annual contributions of $444,736 for the year ended August 31, 2003.

h. Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2003

i. Financial Instruments

The jurisdiction=s financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management=s opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j. Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k. Employee Future Benefits

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

WOLF CREEK SCHOOL DIVISION #72
Notes to Financial Statements
August 31, 2003

3. Restricted Cash

Included in cash balances are unexpended capital funding grant receipts of $16,549,712 which are not available to fund current operations as they must be expended on capital projects.

4. Accounts Receivable

	2003	2002
Province of Alberta	965,469	308,947
Federal Government	502,179	405,628
Alberta Municipalities	-	168,290
Other Alberta school jurisdictions	-	2,878
Other	248,609	211,269
	1,716,257	1,097,012

5. Internally Restricted Net Assets

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the board.

Operating Reserves	2002	Appropriated	Used	2003
School	4,770,934	155,000	(406,616)	4,519,318
Operations and maintenance	1,092,868	156,971	(81,625)	1,168,214
Board & system administration	480,515	10,370	-	490,885
Transportation	567,292	747,903	(926,946)	388,249
	6,911,609	1,070,244	(1,415,187)	6,566,666

Capital Reserves (Building, Vehicle and Equipment)	2002	Appropriated	Used	2003
Board and System Administration	2,152,564	-	-	2,152,564
Transportation	571,132	10,460	-	581,592
Alberta Infrastructure	888	-	-	888
	2,724,584	10,460	-	2,735,044

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2003

6. Capital Assets

Asset	Cost	Accumulated Amortization	Net Book Value 2003	Net Book Value 2002
Land	541,525	-	541,525	541,525
Buildings	54,612,365	25,831,173	28,781,192	26,483,345
Vehicles	7,511,606	3,870,047	3,641,559	3,269,194
Equipment	2,925,095	2,308,012	617,083	654,329
Total	65,590,591	32,009,232	33,581,359	30,948,393

7. Accounts Payable and Liabilities

		2003	2002
Province of Alberta	$	550,739	265,695
Federal Government		9,430	593,673
Alberta Municipalities		48,854	15,845
Other Alberta School Jurisdictions		51,872	42,689
Other Trade payables and accrued liabilities		3,303,889	2,123,587
Total	$	3,964,784	3,041,489

8. Deferred Revenue

		2003	2002
BQRP project funding	$	632,662	1,052,710
One time operations and maintenance support		444,343	-
One time grant funding		25,051	177,750
2003 Budget one time grant for transportation		66,000	-
Other		151,083	214,092
Total	$	1,319,139	1,444,552

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2003

9. Trust Assets and Liabilities

		2003	2002
Deferred salary leave plan	$	-	73,841
Scholarship trusts		296,326	264,676
Student health initiative trust (banker board)		340,434	268,461
Total	$	636,760	606,978

10. Long Term Debt

1. Debenture Debt - Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Treasury. The current portion of long-term debt consists entirely of amounts payable by Alberta Treasury on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture principal payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2003-2004	495,342	455,859	951,201
2004-2005	412,413	407,582	819,995
2005-2006	400,095	365,208	765,303
2006-2007	353,295	324,035	677,330
2007 to 2008	353,295	288,010	641,305
2008 to maturity	2,526,079	850,000	3,376,079
Total	4,540,519	2,690,694	7,231,213

2. Capital Leases - Unsupported

There are currently no capital leases held by the jurisdiction

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2003

11. Deferred Capital Allocations

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

12. Unamortized Capital Allocations

Unamortized capital allocations (UCA) represents the jurisdiction=s net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

13. Contingencies

Contingent Asset

1. The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

14. Commitments and Contractual Obligations

A. Leases:

The school jurisdiction has entered into various operating leases for certain equipment and real estate. Annual rentals payable under long term lease agreements are as follows for the year ending in:

2003/2004	$	202,226
2004/2005		129,253
2005/2006		87,113
2006/2007		6,671
	$	425,263

B. Contractual Obligations:

The school division has entered into contracts with various companies to provide janitorial and building climate control services. The annual cost of the contracts over their remaining terms is as follows:

Fiscal Year		Amount of Obligation
2003/2004	$	1,005,380
2004/2005		532,796
2005/2006		313,194

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2003

The school division has also entered into contracts with various contractors to provide busing services for students. The annual cost of the busing contracts over the remaining terms of the contracts is as follows:

2003/2004	$	414,300

15. During the year, the Wolf Creek School Division renegotiated several key labour contracts with its teaching and administrative staff committing to pay increases effective into the subsequent fiscal year as follows:

Effective Date of Increase	Memorandum of Agreement With ATA	Pay Increase % Support Staff
September 1, 2003	2.00%	2.00%
September 1, 2004	1/2%	

16. Economic Dependence on Related Party

The Wolf Creek School Division=s primary source of income is derived from the Alberta Government. The Division=s ability to continue viable operations is dependent on this funding.

17. Budget Amounts

The budget was prepared by the School jurisdiction management with approval granted by the Board of Trustees. It is presented for information purposes only and has not been audited.

18. Comparative Figures

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

The 2002 comparative figures for Investment in Capital Assets and Unrestricted Net Assets have been restated from those presented in the Audited Financial Statements for the Year Ended August 31, 2002 submission to Alberta Learning.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 54

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin	
Alberta Learning allocations									
(1) Instruction block	$39,198,007	$2,347,473	$36,850,534						
(2) Support block	$6,143,153				$4,219,698			$1,923,455	
(3) Instruction & support block reallocations	$0	($291,508)	$291,508		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$975,115	$0	$975,115						
(5) Student Health Initiative (SHI)	$223,270	$0	$154,257						$69,013
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,725,000	$0	$1,725,000					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$17,174	$0	$17,174	$0					$0
(11) **Total Alberta Learning Revenue**	$48,281,719	$2,055,965	$40,013,588	$0	$4,219,698			$1,923,455	$69,013
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$601,552	$0	$0	$601,552					
(13) Operations & Maintenance support	$5,137,693			$5,137,693					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$5,739,245	$0	$0	$5,739,245					
(16) **Alberta Finance**	$500,149			$500,149	$0			$0	$0
(17) **Other - Government of Alberta**	$293,952	$0	$281,961	$11,991	$0			$0	$0
(18) **Federal Government and/or First Nations**	$1,526,254	$0	$1,334,029	$142,689	$0			$49,536	$0
(19) **Other Alberta school authorities**	$10,388	$0	$10,388	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$267,108	$0	$267,108	$0	$0			$0	$0
(22) **Instruction resource fees**	$710,813	$14,796	$696,017						
(23) **Transportation fees**	$102,008				$102,008				
(24) **Other sales and services**	$524,363	$0	$490,229	$10,860	$6,942			$16,332	$0
(25) **Investment income**	$439,407	$0	$349,748	$37,504	$35,947			$16,208	$0
(26) **Gifts and donations**	$29,206	$0	$29,206	$0	$0				$0
(27) **Rentals of facilities**	$15,448		$12,889	$2,559	$0			$0	$0
(28) **Net school generated funds**	$220,545		$220,545					$0	
(29) **Gains on disposal of capital assets**	$10,460		$0	$0	$10,460			$0	$0
(30) **Amortization of capital allocations**	$1,643,763		$23,825	$1,619,938	$0				$0
(31) **TOTAL REVENUES**	$60,314,828	$2,070,761	$43,729,533	$8,064,935	$4,375,055			$2,005,531	$69,013
EXPENSES									
(32) **Certificated salaries**	$29,980,004	$785,060	$28,732,020				$442,924	$442,924	$0
(33) **Certificated benefits**	$3,254,642	$85,903	$3,132,350				$36,389	$36,389	$0
(34) **Uncertificated salaries and wages**	$11,144,344	$791,007	$8,460,511	$1,259,415	$1,893,455	$101,948	$580,327	$682,275	$57,681
(35) **Uncertificated benefits**	$2,272,208	$157,221	$1,427,374	$265,842	$286,466	$11,127	$118,966	$130,093	$5,212
(36) **SUB - TOTAL**	$46,631,198	$1,819,191	$39,752,255	$1,525,257	$2,179,921	$113,075	$1,178,606	$1,291,681	$62,893
(37) **Services, contracts & supplies**	$10,851,394	$251,570	$3,952,099	$4,409,926	$1,528,235	$126,378	$577,067	$703,445	$6,119
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$151,808	($70,805)	($81,003)	$0	$0	$0	$0
(39) **Net school generated funds**	$220,545		$220,545						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,643,763	$0	$23,825	$1,619,938	$0		$0	$0	$0
(41) Unsupported	$710,799	$0	$139,288	$23,271	$518,868	$0	$29,372	$29,372	$0
(42) Total Amortization	$2,354,562	$0	$163,113	$1,643,209	$518,868	$0	$29,372	$29,372	$0
Interest on capital debt									
(43) Supported	$500,149	$0	$0	$500,149	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$35	$0	$0	$0	$0		$35	$35	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$60,557,883	$2,070,761	$44,239,820	$8,007,738	$4,148,021	$239,453	$1,785,080	$2,024,533	$69,012
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($243,055)	$0	($510,287)	$57,199	$229,034			($19,002)	$1
Applicable student numbers/FTE equivalent	7,753.5	256	7,498.0	7,753.5	4,273			7,753.5	
AVERAGE PROGRAM COSTS per student	$7,810	$8,105	$5,900	$1,033	$970			$261	

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SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$22,302,350	$2,556,325	$0	$1,857,340	$1,247,411	$768,594	$0	$28,732,020
Certificated benefits	$2,453,387	$258,232	$0	$201,931	$138,083	$80,717	$0	$3,132,350
Uncertificated salaries and wages	$1,627,986	$2,260,393	$0	$636,396	$1,671,547	$125,014	$139,175	$6,460,511
Uncertificated benefits	$357,015	$502,231	$0	$145,382	$382,151	$25,513	$15,082	$1,427,374
SUB - TOTAL REMUNERATION	$26,740,738	$5,577,181	$0	$2,841,049	$3,439,192	$999,838	$154,257	$39,752,255
Services, contracts & supplies	$3,137,330	$540,570	$0	$63,523	$115,565	$95,111	$0	$3,952,099
Cost recoveries & transfers	$151,808	$0	$0	$0	$0	$0	$0	$151,808
Net school generated funds	$220,545							$220,545
Amortization of capital assets								
Supported	$23,825	$0	$0					$23,825
Unsupported	$139,288	$0	$0					$139,288
Total Amortization	$163,113	$0	$0					$163,113
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$30,413,534	$6,117,751	$0	$2,904,572	$3,554,757	$1,094,949	$154,257	$44,239,820
FTE Certificated				30.0	20.2			
FTE Uncertificated				24.7	64.9			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$31,925,535	$2,871,546	$2,888,736	$291,508	$37,977,325	$32,271,379	$5,705,946
School Admin & Instruction Support Expenses						$6,117,751	($6,117,751)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$31,925,535	$2,871,546	$2,888,736	$291,508	$37,977,325	$38,389,130	($411,805)
Sub-Programs & Initiatives							
Severely Disabled	$2,906,107		$131,192		$3,037,299	$3,554,757	($517,458)
English as a Second Language	$71,500				$71,500	$95,613	($24,113)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$85,763		$0		$85,763	$94,279	($8,516)
Institutional Programs	$264,295				$264,295	$348,997	($84,702)
Sparsity & Distance	$477,956				$477,956		$477,956
Growth & Density	$90,970				$90,970		$90,970
Teacher Assistants Program	$139,175				$139,175	$169,869	($30,694)
Early Literacy Initiative (K-2)	$258,955				$258,955	$332,348	($73,393)
Learning Resources Credit & Resources for the Classroom	$194,826	$0	$696,017		$890,843	$890,843	$0
Technology Integration	$310,675		$0		$310,675	$224,791	$85,884
French Language Program & Francisation (all jurisdictions)	$30,755		$0		$30,755	$30,755	$0
Home Education	$94,022		$0		$94,022	$108,438	($14,416)
Total Sub-Programs & Initiatives	$4,924,999		$827,209		$5,752,208	$5,850,690	($98,482)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$36,850,534	$2,871,546	$3,715,945	$291,508	$43,729,533	$44,239,820	($510,287)

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SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$2,347,473	$36,850,534		$4,219,698	$1,923,455	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$39,198,007* = *$783,960* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	($291,508)	$291,508				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($291,508)	$291,508		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 54

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$38,887,332
Support Block - Transportation	$4,219,698
SUBTOTAL	$43,107,030

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$5,137,693
Teacher Salary Enhancement	$1,725,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$293,952
Federal government/First Nations	$1,526,254
Other Alberta school authorities	$10,388
Out of province local authorities	$0
Alberta municipalities	$267,108
Other sales and services	$524,363
Interest on investments	$439,407
Rentals of facilities	$15,448
Gains on disposal of capital assets	$10,460
Amortization of capital allocations	$1,643,763
School generated funds (Schedule E)	$1,482,367
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$56,183,233**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	$2,247,329

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$2,247,329**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$2,024,533
PLUS: transfers to Restricted - Operating (Board/System Administration)	$10,370
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,034,903
Maximum Expense Limit for Board & System Administration (Step 3)	$2,247,329
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$212,426

School Jurisdiction Code: 54

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$916,895
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,482,367	
Less: SGF - related cost recoveries (Note 3)	$1,408,249	
- capitalized at the District level (Note 4)	$0	
Net Total	$74,118	
Plus: Donations Received (Note 5)	$72,356	
Equals: Net Additions to SGF		$146,474
Net SGF Available for discretionary spending		$1,063,369
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$220,545
Unexpended SGF - Closing Balance August 31, 2003		$842,824

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

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SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$524,499	$537,541	$0	$0	$197,375	$1,259,415		$1,259,415
Uncertificated benefits	$120,082	$107,225	$0	$0	$38,535	$265,842		$265,842
Sub-total Remuneration	$644,581	$644,766	$0	$0	$235,910	$1,525,257		$1,525,257
Contracted Services	$989,268	$489,726	$0	$0	$7,753	$1,486,747		$1,486,747
Supplies	$104,450	$359,007	$0	$601,552	$167,895	$1,232,904		$1,232,904
Electricity			$825,983			$825,983		$825,983
Natural Gas/Heating Fuel			$709,203			$709,203		$709,203
Sewer and Water			$102,628			$102,628		$102,628
Telecommunications			$52,461			$52,461		$52,461
Insurance					$0	$0		$0
Amortization of capital assets								
Supported							$1,619,938	$1,619,938
Unsupported						$23,271		$23,271
Total Amortization						$23,271	$1,619,938	$1,643,209
Interest on capital debt								
Supported							$500,149	$500,149
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($70,805)		($70,805)
TOTAL EXPENSES	$1,738,299	$1,493,499	$1,690,275	$601,552	$411,558	$5,887,649	$2,120,087	$8,007,736
SQUARE METRES								
School Buildings								96,183.9
Non School Buildings								7,895.1

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 54

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Karin Engen	1.0	$21,713	$4,043	$0	$0	$0	$25,756	$10,268
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Anita Gillard	1.0	$16,365	$3,870	$0	$0	$0	$20,235	$6,537
Name	Bob Huff	1.0	$15,542	$348	$0	$0	$0	$15,890	$5,821
Name	Kelly Lowry	1.0	$13,577	$2,419	$0	$0	$0	$15,996	$4,978
Name	Karen Read	1.0	$11,977	$447	$0	$0	$0	$12,424	$4,091
Name	Harry Wit	1.0	$16,685	$945	$0	$0	$0	$17,630	$8,135
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*6.0*	*$95,859*	*$12,072*	*$0*	*$0*	*$0*	*$107,931*	*$39,830*
Superintendent	Lyle Lorenz	1.0	$134,220	$8,859	$0	$0	$0	$143,079	$15,341
Superintendent	Larry Jacobs - Position Started August 15, 2003	0.0	$5,077	$795	$0	$0	$0	$5,872	$9,242
Secretary/Treasurer	Joe Henderson	0.9	$95,709	$16,010	$0	$0	$0	$111,719	$8,519
Secretary/Treasurer	Roger Hall - Acting Secretary Treasurer September 2002	0.1	$6,183	$800	$0	$0	$0	$6,983	$96
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		457.0	$29,820,707	$3,244,988	$0	$0	$0	$33,065,695	
Uncertificated Salaries & Wages		386.2	$10,946,593	$2,243,326	$0	$0	$0	$13,189,919	
TOTALS			**$41,104,348**	**$5,526,850**	**$0**	**$0**	**$0**	**$46,631,198**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 54

SCHEDULE G1 to the AFS

DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*

COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.